

# EXHIBIT A

## **Deposition Designations of Richard Watts**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Watts**

DESIGNATION	SOURCE	DURATION	ID
7:19 - 7:21	<b>Watts, Richard 2022-08-04</b> 7:19 RICHARD WATTS, having been 7:20 first duly sworn according to law by 7:21 the Officer, testifies as follows:	00:00:13	Watts.1
11:22 - 12:19	<b>Watts, Richard 2022-08-04</b> 11:22 Can you please state your full 11:23 name for the jury? 11:24 A. Richard Watts. 11:25 Q. Are you currently employed? 12:01 12:02 A. Yes. 12:03 Q. By whom? 12:04 A. Bumble. 12:05 Q. What does Bumble do? 12:06 A. Bumble is a social dating app 12:07 that connects people and enables them to 12:08 meet in real life. 12:09 Q. And is that a company Bumble 12:10 and an app Bumble? 12:11 A. Correct. 12:12 Q. Does the company Bumble have 12:13 more than one app? 12:14 A. Yes. 12:15 Q. What are the apps that the 12:16 company Bumble has? 12:17 A. Bumble app, Badoo app, more 12:18 recently the Fruitz app, and those are 12:19 the three primary ones.	00:00:40	Watts.2
13:19 - 13:21	<b>Watts, Richard 2022-08-04</b> 13:19 Q. And the Bumble app and the 13:20 Badoo app are both dating apps? 13:21 A. Primarily, yes.	00:00:07	Watts.3
13:25 - 14:11	<b>Watts, Richard 2022-08-04</b> 13:25 Q. Are the Bumble app and the 14:01 14:02 Badoo app available on the Android 14:03 operating system? 14:04 A. Yes. 14:05 Q. Do the Bumble app and the	00:00:24	Watts.4

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DESIGNATION	SOURCE	DURATION	ID
	14:06 Badoo app offer anything for sale to		
	14:07 Android users through the apps?		
	14:08 A. Yes.		
	14:09 Q. What do they offer for sale?		
	14:10 A. So both Badoo and Bumble offer		
	14:11 subscriptions and one of transactions.		
16:18 - 16:21	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.5
	16:18 Q. What is your job at Bumble		
	16:19 today?		
	16:20 A. I am VP of Product for revenue		
	16:21 and GM of Badoo.		
17:06 - 17:14	<b>Watts, Richard 2022-08-04</b>	00:00:23	Watts.6
	17:06 Q. What are your responsibilities		
	17:07 in your current role?		
	17:08 A. So as VP of Product for		
	17:09 revenue, which is a most applicable, I am		
	17:10 accountable for monetization for all of		
	17:11 our applications, I'm accountable for		
	17:12 pricing for all of our applications, and		
	17:13 I'm accountable for payments and billing		
	17:14 function, which report to me as well.		
17:23 - 18:12	<b>Watts, Richard 2022-08-04</b>	00:00:26	Watts.7
	17:23 Q. In your roles at Bumble have		
	17:24 you interacted with Google over the		
	17:25 years?		
	18:01		
	18:02 A. Yes.		
	18:03 Q. What are some of the areas		
	18:04 where you've interacted with Google in		
	18:05 your job at Bumble?		
	18:06 A. The only area is payments and		
	18:07 billing.		
	18:08 Q. Have Bumble and Google had		
	18:09 discussions over the years regarding the		
	18:10 types of payment processing Bumble would		
	18:11 be allowed to use for its apps on		
	18:12 Android?		
18:15 - 18:17	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.8
	18:15 A. Yes.		

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DESIGNATION	SOURCE	DURATION	ID
	18:16 Q. Have you been involved in some 18:17 of those discussions?		
18:19 - 18:19	<b>Watts, Richard 2022-08-04</b>	00:00:01	Watts.9
	18:19 A. Yes.		
19:02 - 19:09	<b>Watts, Richard 2022-08-04</b>	00:00:24	Watts.10
	19:02 Q. When you started at Bumble in 19:03 2017, what payment options did Bumble 19:04 offer its Android users who wanted to 19:05 make a purchase in one of Bumble's apps?		
	19:06 A. So the primary methods we 19:07 supported for several years include 19:08 credit card payments, PayPal. And that's 19:09 the Bumble app, just to be specific, yes.		
19:16 - 19:24	<b>Watts, Richard 2022-08-04</b>	00:00:23	Watts.11
	19:16 When you started at Bumble in 19:17 2017 what payment options did the Badoo 19:18 app offer its Android users who wanted to 19:19 make a purchase in the app?		
	19:20 A. Same again, both credit card 19:21 and likely PayPal but also carrier 19:22 billing or SMS billing too and also local 19:23 payment methods in different regions 19:24 around the world.		
21:02 - 21:05	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.12
	21:02 Q. So on the Bumble app today, 21:03 are there any payment options available 21:04 other than Google Play Billing today?		
	21:05 A. Not today.		
21:10 - 21:14	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.13
	21:10 Q. In the United States and the 21:11 United Kingdom, are there any options 21:12 available today on the Badoo app other 21:13 than Google Play Billing?		
	21:14 A. No.		
21:21 - 21:25	<b>Watts, Richard 2022-08-04</b>	00:00:12	Watts.14
	21:21 Why does the Bumble app offer 21:22 its Android users fewer billing choices 21:23 today than it offered five years ago?		
	21:24 A. To be compliant with Google's		

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DESIGNATION	SOURCE	DURATION	ID
	21:25 recent policy changes.		
22:09 - 22:11	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.15
	22:09 Q. In 2017 what rate was Bumble		
	22:10 typically paying for the payment options		
	22:11 it offered its Android users?		
22:13 - 22:15	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.16
	22:13 A. So for alternative payment		
	22:14 methods ranges between 3 and 6% is the		
	22:15 aggregated fee we paid.		
22:20 - 23:03	<b>Watts, Richard 2022-08-04</b>	00:00:22	Watts.17
	22:20 Q. It's 3 to 6% of what,		
	22:21 Mr. Watts?		
	22:22 A. Of the price the user pays.		
	22:23 Q. And today what rate does		
	22:24 Bumble pay for Google Play Billing?		
	22:25 A. Subscriptions are now charged		
	23:01		
	23:02 at 15%, consumables and one-off		
	23:03 transactions are still charged at 30%.		
23:08 - 23:14	<b>Watts, Richard 2022-08-04</b>	00:00:17	Watts.18
	23:08 Q. 15 and 30% of what, Mr. Watts?		
	23:09 A. The price the consumer pays.		
	23:10 Q. Why does the Bumble app use a		
	23:11 more expensive payment option today than		
	23:12 it did five years ago?		
	23:13 A. To comply with Google		
	23:14 policies.		
24:07 - 24:20	<b>Watts, Richard 2022-08-04</b>	00:00:42	Watts.19
	24:07 Q. Okay. What has been the effect		
	24:08 on the overall Bumble business of using		
	24:09 only Google Play Billing on the Bumble		
	24:10 app?		
	24:11 A. So the Bumble business is the		
	24:12 aggregate impact of the two applications.		
	24:13 So if I start with the Bumble		
	24:14 application, we no longer offer one-day		
	24:15 subscriptions, which is a primary impact,		
	24:16 aside from the aggregated fees we just		
	24:17 spoke about.		

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DESIGNATION	SOURCE	DURATION	ID
	24:18 Q. What has been the effect on		
	24:19 the Badoo app from limiting payment		
	24:20 options to Google Play Billing?		
24:22 - 25:04	<b>Watts, Richard 2022-08-04</b>	00:00:17	Watts.20
	24:22 A. So there are regional		
	24:23 differences but primarily we see a drop		
	24:24 in payers through the same removal of		
	24:25 one-day subscriptions, a change in cost		
	25:01		
	25:02 of revenue which is the aggregated point		
	25:03 we just mentioned, and a drop in revenue		
	25:04 in some markets.		
25:16 - 25:19	<b>Watts, Richard 2022-08-04</b>	00:00:07	Watts.21
	25:16 Why doesn't Bumble just decide		
	25:17 to offer payment options other than		
	25:18 Google Play Billing in the Bumble app		
	25:19 anyway?		
25:22 - 26:05	<b>Watts, Richard 2022-08-04</b>	00:00:19	Watts.22
	25:22 A. Because we would be -- we		
	25:23 would not be compliant with Google Play's		
	25:24 regulations.		
	25:25 Q. And what would be the effect		
	26:01		
	26:02 of that?		
	26:03 A. Potentially to be removed from		
	26:04 the Play Store and no longer be able to		
	26:05 distribute our products.		
26:11 - 26:15	<b>Watts, Richard 2022-08-04</b>	00:00:13	Watts.23
	26:11 Q. If Google removed Bumble's		
	26:12 apps from the Play Store, would Bumble		
	26:13 have another way to distribute its apps		
	26:14 to Android users?		
	26:15 A. Not that it's comparative.		
26:18 - 27:25	<b>Watts, Richard 2022-08-04</b>	00:01:09	Watts.24
	26:18 Q. Would the Samsung Galaxy Store		
	26:19 be a viable alternative to the Google		
	26:20 Play Store for Bumble to distribute its		
	26:21 apps to Android users?		
	26:22 A. No.		

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DESIGNATION	SOURCE	DURATION	ID
	26:23 Q. Why not?		
	26:24 A. Because it doesn't have the		
	26:25 same scale.		
	27:01		
	27:02 Q. Would allowing Android users		
	27:03 to directly download Bumble's apps from a		
	27:04 website be a viable alternative to the		
	27:05 Google Play Store for Bumble to		
	27:06 distribute its apps to Android users?		
	27:07 A. No.		
	27:08 Q. Why not?		
	27:09 A. Similar reason, one of scale,		
	27:10 friction, consumers are used to finding		
	27:11 apps within the Play Store and that's		
	27:12 core to our business.		
	27:13 Q. When you say "friction", what		
	27:14 do you mean by that?		
	27:15 A. Asking users to redirect away		
	27:16 from a store or use a web to download the		
	27:17 application adds friction in the process		
	27:18 of them accessing our products.		
	27:19 Generally speaking, adding friction in		
	27:20 will negatively impact registrations, for		
	27:21 example.		
	27:22 Q. When you say "will negatively		
	27:23 impact registrations", what does that		
	27:24 mean?		
	27:25 A. Less people will sign up.		
28:02 - 28:08	<b>Watts, Richard 2022-08-04</b>	00:00:14	Watts.25
	28:02 Q. Are Bumble's dating services		
	28:03 available through websites?		
	28:04 A. Yes.		
	28:05 Q. Does Bumble put more focus on		
	28:06 its dating apps or on its websites or		
	28:07 neither?		
	28:08 A. Dating apps.		
28:10 - 28:17	<b>Watts, Richard 2022-08-04</b>	00:00:20	Watts.26
	28:10 Q. What does Bumble put more		
	28:11 focus on its apps than its websites?		
	28:12 A. Partly because that's how		



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DESIGNATION	SOURCE	DURATION	ID
	28:13 consumers consume dating apps is through		
	28:14 mobile applications. Web represents a		
	28:15 relatively small percentage of usage and		
	28:16 revenue, especially on the Bumble		
	28:17 product.		
28:25 - 29:04	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.27
	28:25 What percentage of users of		
	29:01		
	29:02 the Bumble app use the web version of		
	29:03 that service?		
	29:04 A. Less than 3%, I believe.		
29:05 - 29:08	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.28
	29:05 Q. And what percentage of users		
	29:06 of the Badoo app use the web version of		
	29:07 that service?		
	29:08 A. Around 20%.		
29:18 - 29:20	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.29
	29:18 How much of Bumble's revenue		
	29:19 comes from web purchases?		
	29:20 A. Less than 10%.		
30:08 - 30:12	<b>Watts, Richard 2022-08-04</b>	00:00:12	Watts.30
	30:08 Q. If Google removed Bumble's		
	30:09 apps from the Google Play Store could		
	30:10 Bumble still distribute its apps on		
	30:11 Apple's iOS?		
	30:12 A. No, not for Android users.		
30:13 - 30:21	<b>Watts, Richard 2022-08-04</b>	00:00:18	Watts.31
	30:13 Q. What do you mean "not for		
	30:14 Android users"?		
	30:15 A. If I have an Android device		
	30:16 and I want to access Badoo and Bumble		
	30:17 products I need to use the Play Store or		
	30:18 an alternative method as payer. Your		
	30:19 point, but Android is a sizable part of		
	30:20 our business so it's not an alternative		
	30:21 option.		
30:22 - 30:24	<b>Watts, Richard 2022-08-04</b>	00:00:11	Watts.32
	30:22 Q. Can an Android user access the		
	30:23 iOS versions of Bumble's apps?		

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DESIGNATION	SOURCE	DURATION	ID
	30:24 A. No, not to my knowledge.		
34:11 - 35:14	<b>Watts, Richard 2022-08-04</b>	00:01:01	Watts.33
	34:11 In 2019, for		
	34:12 example, did Bumble offer multiple		
	34:13 payment options on its Android dating		
	34:14 apps?		
	34:15 A. Yes.		
	34:16 Q. And why did Bumble do that?		
	34:17 A. Because it's commercially		
	34:18 beneficial and it's good for consumer		
	34:19 choice as well.		
	34:20 Q. When you say "it's		
	34:21 commercially beneficial", what do you		
	34:22 mean?		
	34:23 A. So the cost of sale is better		
	34:24 for us as a company if we process		
	34:25 transactions through credit card or		
	35:01		
	35:02 PayPal where we pay 3 to 6%, plus at the		
	35:03 time we would have been paying 30% for		
	35:04 transactions through Google primarily.		
	35:05 There are exceptions to that 30%, yes.		
	35:06 Q. And when you say "it's good		
	35:07 for consumer choice", what does that		
	35:08 mean?		
	35:09 A. So we, as a business, have		
	35:10 always offered multiple payment methods		
	35:11 and presented them to enable consumers to		
	35:12 can choose which payment method they want		
	35:13 to pay through versus offering one		
	35:14 payment method solely.		
35:20 - 35:23	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.34
	35:20 Q. In 2017 did Bumble offer		
	35:21 Google's payment option as one of the		
	35:22 payment options Android users could		
	35:23 choose in Bumble's apps?		
35:25 - 36:10	<b>Watts, Richard 2022-08-04</b>	00:00:27	Watts.35
	35:25 A. Yes.		
	36:01		
	36:02 Q. Approximately what percentage		

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DESIGNATION	SOURCE	DURATION	ID
	36:03 of Bumble's Android app users chose to		
	36:04 use Google's payment option back in 2017?		
	36:05 A. I can't answer for 2017. I can		
	36:06 for years after.		
	36:07 Q. Okay. For the years you can		
	36:08 answer, what's the answer?		
	36:09 A. Between 20 to 30%, depending		
	36:10 on the region. It varies.		
36:15 - 36:18	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.36
	36:15 Q. So over the last three or four		
	36:16 years approximately 20 to 30% of Bumble's		
	36:17 Android app users chose to use Google's		
	36:18 payment option?		
36:21 - 37:22	<b>Watts, Richard 2022-08-04</b>	00:01:05	Watts.37
	36:21 A. Yes.		
	36:22 Q. And the rest chose to use some		
	36:23 other payment option not offered by		
	36:24 Google?		
	36:25 A. Correct.		
	37:01		
	37:02 Q. Did there come a point at		
	37:03 which Google sought to require Bumble to		
	37:04 limit the payment options it offered in		
	37:05 its Android apps?		
	37:06 A. Yes.		
	37:07 Q. When did that happen?		
	37:08 A. It's happened more than once.		
	37:09 In my time -- well, to my knowledge, I		
	37:10 think 2017 or 2018 and then 2020 to 2021		
	37:11 are the two that I recall.		
	37:12 Q. And at the time Google sought		
	37:13 to require Bumble to limit the payment		
	37:14 options it offers in its Android apps,		
	37:15 was Bumble still offering a variety of		
	37:16 payment options within those apps?		
	37:17 A. Yes.		
	37:18 Q. What was the payment solution		
	37:19 Google wanted to require Bumble to use in		
	37:20 2021?		
	37:21 A. Google policy mandates we use		

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DESIGNATION	SOURCE	DURATION	ID
	37:22 Google's in-app billing system.		
38:15 - 38:25	<b>Watts, Richard 2022-08-04</b>	00:00:26	Watts.38
	38:15 What was the fee Google told		
	38:16 Bumble it was going to charge for the use		
	38:17 of Google's billing system?		
	38:18 A. I think Google's official		
	38:19 policy was 30%. There are nuances to that		
	38:20 but, generally speaking, it was 30%.		
	38:21 Q. And at that time in 2021 what		
	38:22 was the approximate fee Bumble paid to		
	38:23 its other payment providers to their		
	38:24 services?		
	38:25 A. Between 3 and 6%.		
41:05 - 41:16	<b>Watts, Richard 2022-08-04</b>	00:00:28	Watts.39
	41:05 Q. When Google announced the		
	41:06 change to require Google's payment		
	41:07 solution as the sole payment option on		
	41:08 Android, had Bumble ever before		
	41:09 experimented with what the effects of		
	41:10 that policy might be on its apps?		
	41:11 A. Yes.		
	41:12 Q. When did those experiments		
	41:13 take place?		
	41:14 A. To my knowledge, the first		
	41:15 experiment was around 2017 or 2018,		
	41:16 between the two.		
42:17 - 42:20	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.40
	42:17 Q. Do you know how the experiment		
	42:18 was conducted?		
	42:19 A. I wasn't accountable at that		
	42:20 time, so not 100% certainty, no.		
42:21 - 43:03	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.41
	42:21 MR. DENNING: Okay. Let's mark		
	42:22 a document.		
	42:23 (Exhibit 1348, MagicLab		
	42:24 presentation, Bates		
	42:25 GOOG-PLAY-004671051 was received		
	43:01		
	43:02 and marked on this date for		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	43:03 identification.)		
43:10 - 43:12	<b>Watts, Richard 2022-08-04</b>	00:00:07	Watts.42
	43:10 Q. Have you seen this exhibit		
	43:11 1348 before?		
	43:12 A. No, actually.		
45:09 - 45:19	<b>Watts, Richard 2022-08-04</b>	00:00:27	Watts.43
	45:09 Q. Do you see on the first page		
	45:10 here, Mr. Watts, it says MagicLab?		
	45:11 A. Yes.		
	45:12 Q. What's MagicLab?		
	45:13 A. It's the previous company that		
	45:14 all the apps existed under.		
	45:15 Q. All the Bumble apps?		
	45:16 A. Correct.		
	45:17 Q. And do you know whether this		
	45:18 document is a presentation that was		
	45:19 created by MagicLab?		
45:22 - 45:22	<b>Watts, Richard 2022-08-04</b>	00:00:02	Watts.44
	45:22 A. I would say yes.		
46:24 - 47:03	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.45
	46:24 Q. You're familiar with the		
	46:25 results of the experiment in general from		
	47:01		
	47:02 2017 and 2018?		
	47:03 A. Yes.		
47:07 - 47:11	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.46
	47:07 Q. Well, what were the results of		
	47:08 the experiment?		
	47:09 A. Significant decline in payer		
	47:10 percentages and significant declines in		
	47:11 ARPU.		
47:13 - 47:15	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.47
	47:13 A. Payer percentage, the		
	47:14 percentage of the population who's paying		
	47:15 and ARPU, average revenue per user.		
47:20 - 48:05	<b>Watts, Richard 2022-08-04</b>	00:00:29	Watts.48
	47:20 Q. Let's just take those one at a		
	47:21 time. Can you explain what payer		

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DESIGNATION	SOURCE	DURATION	ID
	47:22 percentage is?		
	47:23 A. So at any given time in an		
	47:24 experiment or over a day, a week or month		
	47:25 what percentage of the total population		
	48:01		
	48:02 or total users of an app are payers.		
	48:03 Q. So some proportion of the app		
	48:04 users don't pay anything while others pay		
	48:05 something?		
48:07 - 48:09	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.49
	48:07 A. Correct.		
	48:08 Q. And you said ARPU, A-R-P-U,		
	48:09 average revenue per user; is that right?		
48:11 - 48:19	<b>Watts, Richard 2022-08-04</b>	00:00:24	Watts.50
	48:11 A. Correct.		
	48:12 Q. What is ARPU?		
	48:13 A. So the average revenue across		
	48:14 all users of the application, so a total		
	48:15 revenue divided by the population at any		
	48:16 given time or moment.		
	48:17 Q. And you testified there was a		
	48:18 significant decline in payer percentage.		
	48:19 How significant?		
48:21 - 48:23	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.51
	48:21 A. Payers declined 34% and ARPU		
	48:22 declined 31%, according to this		
	48:23 experiment.		
49:09 - 49:12	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.52
	49:09 Q. So by eliminating payment		
	49:10 methods other than Google Play Billing,		
	49:11 did Badoo lose approximately one third of		
	49:12 its paying users?		
49:15 - 49:20	<b>Watts, Richard 2022-08-04</b>	00:00:13	Watts.53
	49:15 A. According to this experiment,		
	49:16 yes.		
	49:17 Q. And by eliminating payment		
	49:18 methods other than Google Play Billing,		
	49:19 did Badoo lose approximately one third of		
	49:20 its revenues on Android?		

## Watts

DESIGNATION	SOURCE	DURATION	ID
49:22 - 49:24	<b>Watts, Richard 2022-08-04</b> 49:22 A. According to this experiment, 49:23 the average revenue per user dropped by 49:24 30%.	00:00:05	Watts.54
51:14 - 51:18	<b>Watts, Richard 2022-08-04</b> 51:14 After the experiments in 2017 51:15 and 2018 did Bumble ever again experiment 51:16 with the effect of eliminating all 51:17 payment options, other than Google Play 51:18 Billing on Android?	00:00:12	Watts.55
51:21 - 52:02	<b>Watts, Richard 2022-08-04</b> 51:21 A. Yes. 51:22 Q. When was that? 51:23 A. I believe 2020 to 2021. 51:24 Q. Were you involved with those 51:25 experiments? 52:01 52:02 A. Yes.	00:00:13	Watts.56
54:20 - 55:02	<b>Watts, Richard 2022-08-04</b> 54:20 Q. Are you familiar with the 54:21 results of the experiments that were 54:22 conducted in 2020 to 2021? 54:23 A. Yes. I can't recall exact 54:24 percentages but I would say they would 54:25 have been negative on both payer 55:01 55:02 percentage and ARPU.	00:00:15	Watts.57
55:05 - 55:09	<b>Watts, Richard 2022-08-04</b> 55:05 (Exhibit 1349, Q3/4 55:06 Business Review, Bates 55:07 BUMBLE-00000298 was received and 55:08 marked on this date for 55:09 identification.)	00:00:00	Watts.58
56:04 - 56:11	<b>Watts, Richard 2022-08-04</b> 56:04 What is Exhibit 1349? 56:05 A. It is a document representing 56:06 the results of one of the experiments we 56:07 just discussed, I believe. 56:08 Q. An experiment from which time	00:00:25	Watts.59

## Watts

DESIGNATION	SOURCE	DURATION	ID
	56:09 period?		
	56:10 A. I believe this is from 2020 to		
	56:11 2021.		
56:12 - 57:08	<b>Watts, Richard 2022-08-04</b>	00:01:02	Watts.60
	56:12 Q. What were the -- does this		
	56:13 refresh your recollection as to the		
	56:14 detailed results of the experiment		
	56:15 conducted in 2020 to 2021?		
	56:16 A. Yes.		
	56:17 Q. What were the results of the		
	56:18 experiment Bumble conducted in 2020 to		
	56:19 2021 on the effect of using only Google		
	56:20 Play Billing on Android?		
	56:21 A. So the Bumble app had a		
	56:22 decline in payer percentage and ARPU. The		
	56:23 Badoo app had a decline in payer		
	56:24 percentage and ARPU.		
	56:25 Q. What was the decline in payer		
	57:01		
	57:02 percentage on the Bumble app?		
	57:03 A. Bumble declined by 17.8%.		
	57:04 Q. And what was the decline in		
	57:05 average revenue per user on the Bumble		
	57:06 app?		
	57:07 A. 6% on a gross basis, 26% on a		
	57:08 received basis.		
58:03 - 58:20	<b>Watts, Richard 2022-08-04</b>	00:00:52	Watts.61
	58:03 Q. And is the received average		
	58:04 revenue per user the revenue Bumble		
	58:05 receives after accounting for the fees it		
	58:06 would have to pay to Google Play Billing?		
	58:07 A. Correct.		
	58:08 Q. Okay. On the Badoo app, what		
	58:09 did the experiment in 2020 to 2021 show		
	58:10 would be the effect on payer percentage		
	58:11 from using only Google Play Billing on		
	58:12 that app?		
	58:13 A. So payer percentage drops by		
	58:14 around 38%.		
	58:15 Q. And with respect to the Badoo		



## Watts

DESIGNATION	SOURCE	DURATION	ID
	58:16 app, what did the experiment show would		
	58:17 be the effect on average revenue per		
	58:18 user?		
	58:19 A. Gross ARPU would drop by		
	58:20 around 23%, received ARPU by around 36%.		
59:08 - 59:11	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.62
	59:08 Following this experiment in		
	59:09 2020 to 2021, what was Bumble's view of		
	59:10 the impact of a change to using only		
	59:11 Google Play Billing on Android?		
59:14 - 59:23	<b>Watts, Richard 2022-08-04</b>	00:00:25	Watts.63
	59:14 A. At this time the estimation		
	59:15 would be in the range of 40 to 50 million		
	59:16 dollars on an annualized basis.		
	59:17 Q. That's per year?		
	59:18 A. Per year.		
	59:19 Q. And when you say 40 to 50		
	59:20 million dollars per year, that's 40 to 50		
	59:21 million dollars less that Bumble would		
	59:22 receive?		
	59:23 A. Correct.		
60:05 - 60:07	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.64
	60:05 How would a loss of 40 to 50		
	60:06 million dollars in revenue per year		
	60:07 affect Bumble, the company?		
60:09 - 60:15	<b>Watts, Richard 2022-08-04</b>	00:00:18	Watts.65
	60:09 A. It would affect us materially.		
	60:10 Q. In what ways?		
	60:11 A. It's a significant amount of		
	60:12 topline revenue that we would be missing		
	60:13 and it would affect our ability to		
	60:14 invest, expectations on being a public		
	60:15 company, et cetera.		
60:16 - 60:18	<b>Watts, Richard 2022-08-04</b>	00:00:06	Watts.66
	60:16 Q. When you say "it would affect		
	60:17 Bumble's ability to invest", what do you		
	60:18 mean, what do you mean "to invest"?		
60:23 - 61:03	<b>Watts, Richard 2022-08-04</b>	00:00:22	Watts.67
	60:23 A. Invest in our product, in our		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	60:24 teams, in the business, itself.		
	60:25 Q. Would a reduction in revenue		
	61:01		
	61:02 of that size have an effect on Bumble's		
	61:03 customers?		
61:05 - 61:06	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.68
	61:05 A. Yes.		
	61:06 Q. What would that effect be?		
61:10 - 61:14	<b>Watts, Richard 2022-08-04</b>	00:00:12	Watts.69
	61:10 A. Likely we would -- because we		
	61:11 would be unable to invest at the same		
	61:12 level into our products and services, we		
	61:13 would not be able to offer the same level		
	61:14 of service potentially to our members.		
61:15 - 61:18	<b>Watts, Richard 2022-08-04</b>	00:00:12	Watts.70
	61:15 Q. Were the results of this		
	61:16 experiment in 2020 to 2021 shared with		
	61:17 Google?		
	61:18 A. To my knowledge, yes.		
62:17 - 62:20	<b>Watts, Richard 2022-08-04</b>	00:00:07	Watts.71
	62:17 Q. Was Google willing to		
	62:18 negotiate the requirement to stop using		
	62:19 payment solutions other than Google Play		
	62:20 Billing?		
62:24 - 63:04	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.72
	62:24 A. At this time? To the best of		
	62:25 my knowledge, I believe it was still		
	63:01		
	63:02 mandatory to enforce a Google policy of		
	63:03 using only Google's in-app billing		
	63:04 system.		
63:05 - 63:13	<b>Watts, Richard 2022-08-04</b>	00:00:32	Watts.73
	63:05 Q. You testified about a Google		
	63:06 program to help mitigate these losses.		
	63:07 What do you know about that?		
	63:08 A. I know at this time, as part		
	63:09 of this change, Google offered a variety		
	63:10 of services across the Google portfolio		
	63:11 of products to help mitigate some of the		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	63:12 impact from the enforcement of this		
	63:13 policy.		
73:03 - 73:07	<b>Watts, Richard 2022-08-04</b>	00:00:11	Watts.74
	73:03 Q. Did Bumble ultimately		
	73:04 implement Google Play Billing as the only		
	73:05 payment option that was available on its		
	73:06 Android apps?		
	73:07 A. Yes.		
74:11 - 74:15	<b>Watts, Richard 2022-08-04</b>	00:00:11	Watts.75
	74:11 Do you recognize Exhibit 1351?		
	74:12 A. Yes.		
	74:13 Q. What is Exhibit 1351?		
	74:14 A. It is the Q3 2021 board		
	74:15 meeting presentation.		
76:20 - 76:24	<b>Watts, Richard 2022-08-04</b>	00:00:12	Watts.76
	76:20 Q. Okay. When did Bumble		
	76:21 implement Google Play Billing as the		
	76:22 exclusive payment option on its Android		
	76:23 apps?		
	76:24 A. 8th of July, 2021.		
77:16 - 77:21	<b>Watts, Richard 2022-08-04</b>	00:00:23	Watts.77
	77:16 Q. What was the effect, if any,		
	77:17 of implementing Google Play Billing as		
	77:18 the exclusive payment option in the Badoo		
	77:19 Android app in July 2021?		
	77:20 A. We saw a negative decline in		
	77:21 revenue metrics on the Badoo app.		
78:20 - 79:05	<b>Watts, Richard 2022-08-04</b>	00:00:31	Watts.78
	78:20 Q. Do you recall in the third		
	78:21 quarter of 2020 believing that the effect		
	78:22 on Badoo was unforeseen?		
	78:23 A. Yes.		
	78:24 Q. What was unforeseen about the		
	78:25 effect?		
	79:01		
	79:02 A. Judging from this document,		
	79:03 the severity of it.		
	79:04 Q. Is that consistent with your		
	79:05 recollection?		

## Watts

DESIGNATION	SOURCE	DURATION	ID
79:09 - 80:09	<b>Watts, Richard 2022-08-04</b>	00:01:11	Watts.79
79:09	A. Yes.		
79:10	Q. It says here, "Google only		
79:11	billing was disabled on 30th July, 2021		
79:12	following Badoo being significantly		
79:13	impacted above and beyond expectations."		
79:14	For how long did Bumble keep		
79:15	Google Play Billing as the only payment		
79:16	option on its Badoo Android app?		
79:17	A. It was disabled on the 30th of		
79:18	July, 2021.		
79:19	Q. So it was -- so from the 8th		
79:20	of July until the 30th of July, 2021 what		
79:21	was the payment option that was available		
79:22	on the Badoo Android app?		
79:23	A. During that period we only		
79:24	offered Google in-app billing and on the		
79:25	30th of July we re-enabled alternative		
80:01			
80:02	payment methods.		
80:03	Q. And why did you re-enable		
80:04	alternative payment methods on July 30th,		
80:05	2021?		
80:06	A. Because the impact on the		
80:07	Badoo business was too significant to		
80:08	continue leaving alternative payments		
80:09	methods on.		
80:12 - 80:17	<b>Watts, Richard 2022-08-04</b>	00:00:18	Watts.80
80:12	When you say "too		
80:13	significant", what do you mean?		
80:14	A. That the impact to the		
80:15	business is too material to continue only		
80:16	using Google in-app billing versus using		
80:17	alternative payment systems methods.		
83:19 - 84:05	<b>Watts, Richard 2022-08-04</b>	00:00:26	Watts.81
83:19	What was the effect on Badoo		
83:20	user revenue, if any, from switching to		
83:21	using Google Play as the sole billing		
83:22	option on Android in July 2021?		
83:23	A. So there was a negative		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	83:24 decline on Android over that period.		
	83:25 Q. And what was the magnitude of		
	84:01		
	84:02 the decline?		
	84:03 A. Android declined minus 9.2%		
	84:04 partly due to Google Play changes made in		
	84:05 July.		
84:25 - 85:12	<b>Watts, Richard 2022-08-04</b>	00:00:23	Watts.82
	84:25 What was the effect on the		
	85:01		
	85:02 number of paying Badoo users, if any,		
	85:03 from switching to using Google Play as		
	85:04 the sole billing option on Android in		
	85:05 July 2021?		
	85:06 A. So there was a 11% impact on		
	85:07 year-over-year due to the removal of		
	85:08 one-day subscriptions and alternative		
	85:09 payment methods.		
	85:10 Q. And is that a 11% increase or		
	85:11 decrease?		
	85:12 A. Decrease.		
85:25 - 86:05	<b>Watts, Richard 2022-08-04</b>	00:00:00	Watts.83
	85:25 (Exhibit 1352, Q2 2021		
	86:01		
	86:02 Board meeting presentation, Bates		
	86:03 BUMBLE-00000619 was received and		
	86:04 marked on this date for		
	86:05 identification.)		
86:07 - 86:10	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.84
	86:07 Q. Okay. Do you know what Exhibit		
	86:08 1352 is, Mr. Watts?		
	86:09 A. It's the Q2 2021 board meeting		
	86:10 presentation.		
87:11 - 87:14	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.85
	87:11 Do you know why the switch to		
	87:12 using Google Play Billing as the sole		
	87:13 payment option on the Badoo app in July		
	87:14 2021 resulted in losses?		
87:16 - 88:25	<b>Watts, Richard 2022-08-04</b>	00:01:39	Watts.86

## Watts

DESIGNATION	SOURCE	DURATION	ID
	87:16 A. Yes.		Watts.86
	87:17 Q. And why was that?		
	87:18 A. So, firstly, the removal of		
	87:19 one-day subscriptions negatively impacted		
	87:20 pay growth which negatively impacted ARPU		
	87:21 in the markets listed here on Badoo. This		
	87:22 is independent of the margin impact, to		
	87:23 be clear.		
	87:24 Q. Okay. What's a one-day		
	87:25 subscription?		
	88:01		
	88:02 A. So on Android via alternative		
	88:03 payment methods Badoo and Bumble offered		
	88:04 the ability to subscribe for one day		
	88:05 instead of for seven days or 30 days or		
	88:06 for 90 days as other subscription		
	88:07 lengths. So it's a one-day subscription		
	88:08 which renews every day.		
	88:09 Q. And why would someone want a		
	88:10 one-day subscription?		
	88:11 A. Because they're dating and		
	88:12 having the ability to test the value of		
	88:13 subscription on a shorter term basis for		
	88:14 consumers we see is actually pretty		
	88:15 beneficial and it represents a		
	88:16 significant percentage of subscribers.		
	88:17 Q. Does Google Play Billing		
	88:18 support one-day subscriptions?		
	88:19 A. Not to my knowledge.		
	88:20 Q. Was Google Play Billing's		
	88:21 inability to support one-day		
	88:22 subscriptions one of the reasons Badoo's		
	88:23 revenue was affected when it made the		
	88:24 switch to using only Google Play Billing		
	88:25 in July 2021?		
89:03 - 89:11	<b>Watts, Richard 2022-08-04</b>	00:00:27	Watts.87
	89:03 A. One of the reasons, yes.		
	89:04 Q. What was the -- you said		
	89:05 "firstly" before. Was there a secondly?		
	89:06 A. Yes. There were some regional		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	89:07 differences where some markets were more		
	89:08 impacted. From recollection I believe		
	89:09 Argentina not supporting the local		
	89:10 currency had significant impact in that		
	89:11 market would be the second.		
89:14 - 89:23	<b>Watts, Richard 2022-08-04</b>	00:00:22	Watts.88
	89:14 What do you mean Argentina not		
	89:15 supporting the local currency?		
	89:16 A. So through Google's billing		
	89:17 system I don't believe they support		
	89:18 Argentinian pesos and users convert in		
	89:19 either euros or dollars. And if you are		
	89:20 a user in Argentina the likelihood you're		
	89:21 going to convert in a currency other than		
	89:22 your own is relatively small, so we see a		
	89:23 significant impact in Argentina.		
91:04 - 92:05	<b>Watts, Richard 2022-08-04</b>	00:01:14	Watts.89
	91:04 Q. Back at slide with the Bates		
	91:05 number ending 650, in that same bullet it		
	91:06 continues, "This seems to be due to lower		
	91:07 consumer acceptance of Google as a		
	91:08 trusted payments provider in these		
	91:09 countries leading to purchase		
	91:10 abandonment." Do you see that?		
	91:11 A. Yes.		
	91:12 Q. Do you understand what that		
	91:13 means?		
	91:14 A. Yes.		
	91:15 Q. What does that mean?		
	91:16 A. That in the markets listed		
	91:17 there, France, German Italy, Poland,		
	91:18 Russia and Spain, we see a decline in		
	91:19 transactions when we remove alternative		
	91:20 payment methods irrespective of just the		
	91:21 one-day subscriptions.		
	91:22 Q. And why do you see that		
	91:23 decline?		
	91:24 A. We hypothesized that it was		
	91:25 due to lower customer acceptance of		
	92:01		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	92:02 Google as a trusted payment method and		
	92:03 that the removal of alternative payment		
	92:04 methods removes consumer choice in how		
	92:05 users transact through our payers.		
94:14 - 94:20	<b>Watts, Richard 2022-08-04</b>	00:00:14	Watts.90
	94:14 Did Google agree to extend the		
	94:15 decline for implementing Google Play		
	94:16 Billing as the sole payment option on		
	94:17 Android for the Badoo app?		
	94:18 A. I wasn't directly involved in		
	94:19 those discussions, but judging from this		
	94:20 document I would say yes.		
97:08 - 97:11	<b>Watts, Richard 2022-08-04</b>	00:00:11	Watts.91
	97:08 Do you know what Exhibit 1353		
	97:09 is, Mr. Watts?		
	97:10 A. Yes. It's a Q4 2021 board		
	97:11 meeting presentation.		
97:12 - 97:22	<b>Watts, Richard 2022-08-04</b>	00:00:47	Watts.92
	97:12 Q. And if we flip to the page		
	97:13 with the Bates number ending 788, I'll		
	97:14 give everybody a minute to get there.		
	97:15 A. I am there, yes.		
	97:16 Q. It's divided into two halves		
	97:17 and on the left it says Google		
	97:18 Partnership. Underneath that it says,		
	97:19 "Google Play still planning to enforce		
	97:20 Google Play Billing mandate by March		
	97:21 31st, 2022." Do you see that?		
	97:22 A. Yes.		
98:05 - 98:08	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.93
	98:05 Q. And did Google delay the		
	98:06 implementation of the mandate to use		
	98:07 Google Play Billing as the only payment		
	98:08 option on Android until March 2022?		
98:10 - 98:10	<b>Watts, Richard 2022-08-04</b>	00:00:01	Watts.94
	98:10 A. Yes.		
99:23 - 100:04	<b>Watts, Richard 2022-08-04</b>	00:00:19	Watts.95
	99:23 Q. Did Bumble understand in		
	99:24 August of 2021 that if it did not comply		



## Watts

DESIGNATION	SOURCE	DURATION	ID
	99:25 with Google's policy change on the		
	100:01		
	100:02 timeframe that Google mandated, Google		
	100:03 could remove Bumble's apps from the		
	100:04 Google Play Store?		
100:07 - 102:05	<b>Watts, Richard 2022-08-04</b>	00:02:11	Watts.96
	100:07 A. My understanding is, yes, that		
	100:08 would be the consequence of not being		
	100:09 compliant.		
	100:10 Q. Are you aware that in October		
	100:11 of 2021 Google reduced its Google Play		
	100:12 Billing fee for in-app subscription		
	100:13 purchases from 30% to 15%?		
	100:14 A. Yes.		
	100:15 Q. And at a 15% fee would Bumble		
	100:16 prefer to use Google Play Billing as it's		
	100:17 only Android payment option for		
	100:18 subscriptions or would Bumble prefer to		
	100:19 offer multiple payment options?		
	100:20 A. We would still prefer to offer		
	100:21 multiple payment options, yes.		
	100:22 Q. Why is that?		
	100:23 A. Because 15% is more than 3 to		
	100:24 6%, which is the percent we would pay on		
	100:25 card transactions, for example.		
	101:01		
	101:02 Q. So Google Play Billing would		
	101:03 be more or less expensive?		
	101:04 A. It's more expensive.		
	101:05 Q. You testified earlier about		
	101:06 some one-off products like SuperSwipe and		
	101:07 Spotlight. Are those products subject to		
	101:08 the 15% fee?		
	101:09 A. To the best of my knowledge,		
	101:10 one-off transactions consumables are		
	101:11 still subject to 30%.		
	101:12 Q. Today is Bumble using Google		
	101:13 Play Billing as the only payment method		
	101:14 for in-app purchases within the Bumble		
	101:15 app?		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	101:16 A. Correct.		
	101:17 Q. And -- I'm sorry. And today is		
	101:18 Bumble using Google Play Billing as the		
	101:19 only payment method for in-app purchases		
	101:20 within the Badoo app in the U.S. and		
	101:21 U.K.?		
	101:22 A. Yes.		
	101:23 Q. And today is Bumble using		
	101:24 Google Play Billing as the only payment		
	101:25 method for in-app purchases within the		
	102:01		
	102:02 Badoo app outside of the U.S. and U.K.?		
	102:03 A. Outside of the U.S. and U.K.		
	102:04 we still use alternative payment methods		
	102:05 on Badoo, specifically.		
103:11 - 103:17	<b>Watts, Richard 2022-08-04</b>	00:00:19	Watts.97
	103:11 Q. And to your understanding, is		
	103:12 that in compliance with Google's policy?		
	103:13 A. My understanding is no, as of		
	103:14 today.		
	103:15 Q. What has Google told Bumble		
	103:16 that Google would do if an app did not		
	103:17 follow Google's payments policy?		
103:19 - 103:23	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.98
	103:19 A. I couldn't comment on what		
	103:20 Google has told Bumble specifically but		
	103:21 my understanding of the policy is we		
	103:22 would be removed from the Play Store		
	103:23 ultimately if we were not compliant.		
105:12 - 105:16	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.99
	105:12 Q. Well, let me ask you that		
	105:13 question then. What would be the effect,		
	105:14 if any, on the Bumble company's business		
	105:15 if its apps were removed from the Play		
	105:16 Store?		
105:18 - 106:02	<b>Watts, Richard 2022-08-04</b>	00:00:21	Watts.100
	105:18 A. The business would be		
	105:19 materially and significantly negatively		
	105:20 impacted if we were no longer able to		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	105:21 distribute our products through the Play		
	105:22 Store.		
	105:23 Q. Would it be realistic -- would		
	105:24 it be realistic for your business to		
	105:25 continue without distributing through the		
	106:01		
	106:02 Google Play Store on Android?		
106:04 - 106:10	<b>Watts, Richard 2022-08-04</b>	00:00:25	Watts.101
	106:04 A. No.		
	106:05 Q. If Google -- if Google told		
	106:06 Bumble it was going to require compliance		
	106:07 with some provision in order to keep		
	106:08 Bumble's apps on the Google Play Store,		
	106:09 would Bumble have any choice whether to		
	106:10 comply with that provision or not?		
106:12 - 106:14	<b>Watts, Richard 2022-08-04</b>	00:00:06	Watts.102
	106:12 A. We need to distribute our		
	106:13 products through the Play Store for us to		
	106:14 have a viable business.		
106:15 - 106:16	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.103
	106:15 Q. So is the answer to my		
	106:16 question Bumble wouldn't have a choice?		
106:18 - 106:21	<b>Watts, Richard 2022-08-04</b>	00:00:06	Watts.104
	106:18 A. We would not have a choice and		
	106:19 for us to be a viable business we need to		
	106:20 distribute our products through the Play		
	106:21 Store.		
106:23 - 107:03	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.105
	106:23 Today would Bumble rather use		
	106:24 only Google Play Billing on Android or		
	106:25 would it rather give its users the		
	107:01		
	107:02 ability to choose different payment		
	107:03 options?		
107:05 - 107:07	<b>Watts, Richard 2022-08-04</b>	00:00:05	Watts.106
	107:05 A. Today we would like to		
	107:06 continue offering alternative payment		
	107:07 methods to our users, yes.		

## Watts

DESIGNATION	SOURCE	DURATION	ID
108:02 - 108:06	<b>Watts, Richard 2022-08-04</b> 108:02 Q. Why follow Google's policy? 108:03 A. Because the alternative, if 108:04 ultimately we were removed from the Play 108:05 Store, means we no longer have a viable 108:06 business on Android.	00:00:12	Watts.107
109:08 - 109:11	<b>Watts, Richard 2022-08-04</b> 109:08 Q. In your view, do users benefit 109:09 from the availability of alternative 109:10 payment methods? 109:11 A. Yes.	00:00:09	Watts.108
109:13 - 109:21	<b>Watts, Richard 2022-08-04</b> 109:13 Q. And why is that? 109:14 A. Because I think consumer 109:15 choice is dependent on offering them 109:16 choice to chose their own payment 109:17 options, and as we've demonstrated with 109:18 different products like one-day 109:19 subscriptions as an example, they benefit 109:20 our users by enabling them to access our 109:21 paid services.	00:00:18	Watts.109
110:22 - 110:24	<b>Watts, Richard 2022-08-04</b> 110:22 Q. Why, in your view, do users 110:23 benefit from the availability of 110:24 alternative payment methods?	00:00:06	Watts.110
111:02 - 111:18	<b>Watts, Richard 2022-08-04</b> 111:02 A. Because our job and how we 111:03 operate on Bumble and Badoo apps is we've 111:04 offered the ability for the customer to 111:05 choose who they want to transact through 111:06 whether it's directly with us, the brand 111:07 they have engaged with and having 111:08 downloaded our services or whether it's 111:09 with a different payment method, for 111:10 example. And to the point we raised 111:11 previously, experimentation results show 111:12 that when you remove alternative payment 111:13 methods and you remove the choice, you 111:14 see a decline in transactions.	00:00:43	Watts.111

## Watts

DESIGNATION	SOURCE	DURATION	ID
	111:15 Q. And in your experience at		
	111:16 Bumble, do different customers have		
	111:17 different preferences about the payment		
	111:18 method they want to use?		
111:20 - 111:25	<b>Watts, Richard 2022-08-04</b>	00:00:14	Watts.112
	111:20 A. Our experimentation results I		
	111:21 believe show this.		
	111:22 Q. Okay. And is it important to		
	111:23 Bumble to offer a payment method that the		
	111:24 users prefer?		
	111:25 A. Yes.		
116:14 - 117:02	<b>Watts, Richard 2022-08-04</b>	00:00:36	Watts.113
	116:14 Mr. Watts, in your role are		
	116:15 you generally familiar that Bumble		
	116:16 invests in keeping users secure as they		
	116:17 use Bumble's dating apps?		
	116:18 A. Yes. The Bumble business		
	116:19 prioritizes safety of our members, yes,		
	116:20 it's accurate.		
	116:21 Q. And if you know, what teams		
	116:22 does Bumble have that are focused on user		
	116:23 safety?		
	116:24 A. So we have dedicated teams		
	116:25 that are focused on safety generally		
	117:01		
	117:02 within the business.		
117:23 - 118:02	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.114
	117:23 Q. Do you agree that user safety		
	117:24 is pivotal for dating and connection		
	117:25 apps?		
	118:01		
	118:02 A. My personal perspective, yes.		
118:19 - 119:07	<b>Watts, Richard 2022-08-04</b>	00:00:26	Watts.115
	118:19 Q. Just in your personal		
	118:20 perspective, do you agree Bumble has an		
	118:21 unrivaled position when it comes to trust		
	118:22 and safety within the dating app		
	118:23 category?		
	118:24 A. Safety and trust have been at		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	118:25 the heart of our business for a long		
	119:01		
	119:02 time. So, again, my personal perspective		
	119:03 I would say yes, we absolutely have an		
	119:04 unrivaled position in that category.		
	119:05 Q. Is it fair to say Bumble is		
	119:06 serious about investing in user safety?		
	119:07 A. Yes.		
120:25 - 121:10	<b>Watts, Richard 2022-08-04</b>	00:00:17	Watts.116
	120:25 Q. To the best of your knowledge,		
	121:01		
	121:02 has Google ever told Bumble that Google		
	121:03 has concerns about user security on		
	121:04 Bumble's apps?		
	121:05 A. To the best of my knowledge,		
	121:06 no.		
	121:07 Q. And to the best of your		
	121:08 knowledge has Google ever told Bumble		
	121:09 that it has concerns with Bumble's		
	121:10 subscription practices?		
121:12 - 121:13	<b>Watts, Richard 2022-08-04</b>	00:00:02	Watts.117
	121:12 A. To the best of my knowledge,		
	121:13 no.		
128:02 - 128:05	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.118
	128:02 Q. Does offering Google Play		
	128:03 Billing as the exclusive payment option		
	128:04 reduce Bumble's ability to innovate with		
	128:05 new features or its payment systems?		
128:07 - 128:08	<b>Watts, Richard 2022-08-04</b>	00:00:03	Watts.119
	128:07 A. Yes, because we no longer have		
	128:08 control over it.		
140:21 - 141:14	<b>Watts, Richard 2022-08-04</b>	00:00:38	Watts.120
	140:21 Q. So you mentioned monetization		
	140:22 among the scope of your responsibilities.		
	140:23 What does monetization mean in your		
	140:24 language?		
	140:25 A. Sure. So we have a team of		
	141:01		
	141:02 product managers who report to me who		

**Watts**

DESIGNATION	SOURCE	DURATION	ID
	141:03 manage the development of different		
	141:04 products that people pay for or different		
	141:05 subscription packages or new consumable		
	141:06 features, any of the things which rely on		
	141:07 our payments platform to be actually		
	141:08 transacted.		
	141:09 Q. So when you use the term		
	141:10 monetization, does that include		
	141:11 alternative ways of generating revenue		
	141:12 from the apps such as -- from your apps		
	141:13 such as advertising?		
	141:14 A. Yes.		
141:19 - 142:10	<b>Watts, Richard 2022-08-04</b>	00:00:35	Watts.121
	141:19 Is the use of subscriptions		
	141:20 one of the way that Bumble monetizes its		
	141:21 apps?		
	141:22 A. Yes.		
	141:23 Q. And the use, is the use of		
	141:24 in-app purchases one of the ways that		
	141:25 Bumble monetizes its apps?		
	142:01		
	142:02 A. Yes.		
	142:03 Q. And is advertising one of the		
	142:04 ways that Bumble monetizes its apps?		
	142:05 A. Yes. Specific to the Badoo		
	142:06 application.		
	142:07 Q. So for the Badoo application,		
	142:08 does Bumble use advertising to generate		
	142:09 revenue from the app?		
	142:10 A. Yes.		
146:02 - 146:07	<b>Watts, Richard 2022-08-04</b>	00:00:14	Watts.122
	146:02 Q. Do you know whether Bumble has		
	146:03 tried to distribute its product via		
	146:04 side-loading instead of via an app store		
	146:05 like Google Play?		
	146:06 A. To my knowledge, we've never		
	146:07 tried and never investigated it.		
147:08 - 147:12	<b>Watts, Richard 2022-08-04</b>	00:00:07	Watts.123
	147:08 To your knowledge has Bumble ever tried		
	147:09 to distribute its product through a		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	147:10 Samsung Galaxy Store?		
	147:11 A. To my knowledge, I don't		
	147:12 believe so.		
148:03 - 148:09	<b>Watts, Richard 2022-08-04</b>	00:00:16	Watts.124
	148:03 So you were asked questions,		
	148:04 for example, like whether Google ever		
	148:05 said certain things to Bumble. And my		
	148:06 question is, for example, are you a part		
	148:07 of every discussion between Google and		
	148:08 Bumble?		
	148:09 A. No.		
148:13 - 148:17	<b>Watts, Richard 2022-08-04</b>	00:00:08	Watts.125
	148:13 So if Google had or had not		
	148:14 said something to Bumble you wouldn't		
	148:15 necessarily know, right, sir?		
	148:16 A. Correct. I'm not part of every		
	148:17 conversation.		
162:15 - 162:18	<b>Watts, Richard 2022-08-04</b>	00:00:11	Watts.126
	162:15 Q. Does Bumble pay a material		
	162:16 amount for the distribution services that		
	162:17 it receives through the Google Play		
	162:18 Store --		
162:20 - 162:25	<b>Watts, Richard 2022-08-04</b>	00:00:10	Watts.127
	162:20 Q. -- separate from Google Play		
	162:21 Billing?		
	162:22 A. Do we pay an independent fee		
	162:23 outside of the aggregated fee we pay		
	162:24 Google billing for distribution? To my		
	162:25 knowledge, no.		
163:02 - 163:08	<b>Watts, Richard 2022-08-04</b>	00:00:22	Watts.128
	163:02 Q. So there have been some		
	163:03 questions about payment processing today		
	163:04 and payment processing costs. Do you		
	163:05 consider payment processing through		
	163:06 Google Play Billing to be an independent		
	163:07 product of the overall Google Play		
	163:08 service that Bumble receives from Google?		
163:12 - 163:14	<b>Watts, Richard 2022-08-04</b>	00:00:06	Watts.129
	163:12 A. So do I see a distinction		



## Watts

DESIGNATION	SOURCE	DURATION	ID
	163:13 between the services offered; is that		
	163:14 correct?		
163:17 - 163:20	<b>Watts, Richard 2022-08-04</b>	00:00:09	Watts.130
	163:17 A. I mean, from my personal		
	163:18 perspective, not materially, no. They		
	163:19 are one group of products we use under		
	163:20 the Google umbrella.		
163:21 - 163:25	<b>Watts, Richard 2022-08-04</b>	00:00:12	Watts.131
	163:21 Q. In other words, you pay in		
	163:22 particular for Google Play Billing but		
	163:23 you receive back the entire package of		
	163:24 services that are part of Google Play.		
	163:25 Is that fair?		
164:05 - 164:08	<b>Watts, Richard 2022-08-04</b>	00:00:11	Watts.132
	164:05 A. So we receive several services		
	164:06 from Google and we pay the transaction		
	164:07 fee, the aggregated fee based on using		
	164:08 Google in-app billing.		
165:13 - 165:18	<b>Watts, Richard 2022-08-04</b>	00:00:18	Watts.133
	165:13 If you were to offer an		
	165:14 alternative payment processor for		
	165:15 transactions in the Bumble app you've		
	165:16 testified that you expect you might be		
	165:17 able to pay a lower fee for that payment		
	165:18 processor than you pay Google, right?		
165:21 - 166:04	<b>Watts, Richard 2022-08-04</b>	00:00:20	Watts.134
	165:21 A. We do pay a lower fee today		
	165:22 for the transaction, the processing of		
	165:23 the transaction.		
	165:24 Q. Right. And my question is, are		
	165:25 the services that you receive back from		
	166:01		
	166:02 that payment processor equivalent to the		
	166:03 entire suite of services that you receive		
	166:04 from Google as part of Google Play?		
166:06 - 166:13	<b>Watts, Richard 2022-08-04</b>	00:00:15	Watts.135
	166:06 A. They are different.		
	166:07 Q. How are they different?		
	166:08 A. We don't distribute the app		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	166:09 through alternative payment methods. It's		
	166:10 one of the primary differences.		
	166:11 Q. And is the distribution of		
	166:12 your product that you received through		
	166:13 Google Play valuable to you?		
166:17 - 166:19	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.136
	166:17 A. It's critical for our company		
	166:18 to have distribution through the Play		
	166:19 Store.		
169:19 - 170:06	<b>Watts, Richard 2022-08-04</b>	00:00:33	Watts.137
	169:19 Q. How many -- how many		
	169:20 users does Badoo have right now, if you		
	169:21 know?		
	169:22 A. About 22 million monthly		
	169:23 active users.		
	169:24 Q. And do you know how many of		
	169:25 those users are paying users?		
	170:01		
	170:02 A. Roughly 5% in any given month.		
	170:03 Q. And so 95% of the users of the		
	170:04 Badoo app don't generate any obligation		
	170:05 on behalf of Bumble to pay anything for		
	170:06 Google Play Billing, right?		
170:09 - 170:16	<b>Watts, Richard 2022-08-04</b>	00:00:19	Watts.138
	170:09 A. 95% of users on the Badoo app		
	170:10 at a global level are non-payers and		
	170:11 don't transact through any payment		
	170:12 method.		
	170:13 Q. And that means that Bumble has		
	170:14 no obligation to pay Google for the		
	170:15 distribution of the product to those free		
	170:16 users, right?		
170:18 - 170:20	<b>Watts, Richard 2022-08-04</b>	00:00:06	Watts.139
	170:18 A. Yes. So the users don't		
	170:19 transact at all through Google billing or		
	170:20 any payment method, that's correct.		
171:03 - 171:18	<b>Watts, Richard 2022-08-04</b>	00:00:44	Watts.140
	171:03 Q. Is it possible to buy a		
	171:04 subscription to -- to buy a Bumble		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	171:05 subscription through Bumble's website		
	171:06 instead of buying it through the app?		
	171:07 A. Yes.		
	171:08 Q. And when a user pays for their		
	171:09 subscription through Bumble's website		
	171:10 rather than through the app, does that		
	171:11 allow that user to access the		
	171:12 subscription features in the app?		
	171:13 A. To my knowledge, yes.		
	171:14 Q. Okay. Does that transaction		
	171:15 through Bumble's website obligate Bumble		
	171:16 to pay a commission to Google for that		
	171:17 transaction?		
	171:18 A. I believe no.		
181:12 - 181:13	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.141
	181:12 Q. If we could turn to what was		
	181:13 previously marked as		
181:14 - 181:15	<b>Watts, Richard 2022-08-04</b>	00:00:05	Watts.142
	181:14 1352, please. Let me know when you have that in front of		
	181:15 you, please.		
181:16 - 181:19	<b>Watts, Richard 2022-08-04</b>	00:00:07	Watts.143
	181:16 A. Yes, I believe so.		
	181:17 Q. Could you please turn with me		
	181:18 to the page that ends in Bates number		
	181:19 650?		
181:20 - 181:20	<b>Watts, Richard 2022-08-04</b>	00:00:02	Watts.144
	181:20 A. Yes, I'm there.		
182:05 - 182:24	<b>Watts, Richard 2022-08-04</b>	00:00:40	Watts.145
	182:05 A. So is this representative of		
	182:06 the incentive program that ended up being		
	182:07 enforced?		
	182:08 Q. Yes, sir.		
	182:09 A. Not enforced, agreed. I would		
	182:10 say yes.		
	182:11 Q. And we talked earlier about		
	182:12 predictions of how ARPU would be impacted		
	182:13 for Bumble's apps in the event Google's		
	182:14 programs were implemented, right?		
	182:15 A. Correct.		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	182:16 Q. And do you see the heading		
	182:17 here where it says, "What is the impact		
	182:18 we've seen?"		
	182:19 A. Yes, correct.		
	182:20 Q. And with regard to Bumble, the		
	182:21 impact on Bumble, it says "Bumble is ARPU		
	182:22 neutral since the enforcement." Do you		
	182:23 see that, sir?		
	182:24 A. Correct.		
183:12 - 183:24	<b>Watts, Richard 2022-08-04</b>	00:00:21	Watts.146
	183:12 Q. Okay. It goes on to say, "We		
	183:13 have seen a decline in payers but an		
	183:14 offsetting increase in ARPPU due to the		
	183:15 removal of one-day subscriptions and		
	183:16 alternative payment methods." Do you see		
	183:17 that, sir?		
	183:18 A. Correct, yes.		
	183:19 Q. Is ARPPU average revenue per		
	183:20 paying user?		
	183:21 A. Yes.		
	183:22 Q. And is that an important		
	183:23 metric to Bumble?		
	183:24 A. Yes.		
184:03 - 184:06	<b>Watts, Richard 2022-08-04</b>	00:00:07	Watts.147
	184:03 Q. And the elimination of one-day		
	184:04 subscriptions resulted in an increase in		
	184:05 ARPPU, correct, sir?		
	184:06 A. Correct.		
191:19 - 191:19	<b>Watts, Richard 2022-08-04</b>	00:00:02	Watts.148
	191:19 Q. Do you recognize what's been marked as		
191:20 - 191:24	<b>Watts, Richard 2022-08-04</b>	00:00:14	Watts.149
	191:20 11370 as board meeting --		
	191:21 board meeting slide deck from 2020 Q1?		
	191:22 A. Yes, I believe so. I can't		
	191:23 comment on the full document but I		
	191:24 believe I recognize some of this content.		
192:25 - 193:02	<b>Watts, Richard 2022-08-04</b>	00:00:06	Watts.150
	192:25 So are you at the -- at the		
	193:01		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	193:02 page ending 75 in Exhibit 11370?		
193:03 - 194:02	<b>Watts, Richard 2022-08-04</b>	00:00:53	Watts.151
	193:03 A. Yes.		
	193:04 Q. And this slide deck		
	193:05 information is being presented to the		
	193:06 Bumble board about the impact of certain		
	193:07 changes to Google Play's policies, right?		
	193:08 A. Correct.		
	193:09 Q. And the board here was being		
	193:10 told that "Changes in Google Play's		
	193:11 policies will have a material impact on		
	193:12 underlying revenue and revenue budget		
	193:13 forecasts." Do you see that?		
	193:14 A. Yes, I do.		
	193:15 Q. Okay. And then it goes through		
	193:16 and it talks about the changes that are		
	193:17 most impactful. Do you see that?		
	193:18 A. I do, yes.		
	193:19 Q. Okay. And the board was told		
	193:20 that, "The most impactful changes from		
	193:21 Google's changes to its policies were,		
	193:22 first, that Google will email users a		
	193:23 reminder when their subscription is due		
	193:24 for users subscribed to three month or		
	193:25 six month subscription package." Do you		
	194:01		
	194:02 see that, sir?		
194:05 - 194:24	<b>Watts, Richard 2022-08-04</b>	00:00:48	Watts.152
	194:05 A. I see that, yes.		
	194:06 Q. Okay. And the next impactful		
	194:07 change was that, "Google will notify		
	194:08 active subscribers who uninstall the app,		
	194:09 that uninstalling does not automatically		
	194:10 unsubscribe them from the service." Do		
	194:11 you see that, sir?		
	194:12 A. Yes, I do.		
	194:13 Q. And the third one was, "Google		
	194:14 will require changes to how pricing and		
	194:15 subscription packages are displayed in		
	194:16 the paywall. This includes insuring the		

## Watts

DESIGNATION	SOURCE	DURATION	ID
	194:17 full cost rather than monthly costs for		
	194:18 longer subscriptions is clearly		
	194:19 displayed." Do you see that?		
	194:20 A. Yes, I do.		
	194:21 Q. So fair to say that these		
	194:22 three items are Google policies that are		
	194:23 intended to increase the user's knowledge		
	194:24 of how the subscription programs work?		
195:04 - 195:04	<b>Watts, Richard 2022-08-04</b>	00:00:01	Watts.153
	195:04 A. Yes.		
195:05 - 195:06	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.154
	195:05 Q. And would you agree that these		
	195:06 changes are pro-consumer changes?		
195:11 - 195:17	<b>Watts, Richard 2022-08-04</b>	00:00:20	Watts.155
	195:11 A. In my opinion, yes.		
	195:12 Q. Why would Bumble be harmed if		
	195:13 Google made a change to its policy that		
	195:14 had active subscribers who uninstall the		
	195:15 app be told that that does not		
	195:16 automatically unsubscribe them from the		
	195:17 service?		
195:22 - 196:07	<b>Watts, Richard 2022-08-04</b>	00:00:23	Watts.156
	195:22 A. I would assume that without		
	195:23 absolute certainty, that is due to		
	195:24 consumers sometimes not remembering they		
	195:25 are subscribed to a service and that's		
	196:01		
	196:02 potentially why.		
	196:03 Q. So Google's change would have		
	196:04 the effect of decreasing the number of		
	196:05 users who were paying for Bumble's		
	196:06 service but not actually using the app,		
	196:07 correct?		
196:12 - 196:12	<b>Watts, Richard 2022-08-04</b>	00:00:01	Watts.157
	196:12 A. Correct.		
197:09 - 197:11	<b>Watts, Richard 2022-08-04</b>	00:00:04	Watts.158
	197:09 Q. Are you at the page that		
	197:10 ends 124, sir?		
	197:11 A. Yes, I am.		

## Watts

DESIGNATION	SOURCE	DURATION	ID
197:12 - 197:12	<b>Watts, Richard 2022-08-04</b> 197:12 Q. And on page 1 -- ending 124 in Exhibit 11370	00:00:04	Watts.159
197:13 - 197:15	<b>Watts, Richard 2022-08-04</b> 197:13 The board was presented 197:14 with Bumble and Badoo's gross margins, 197:15 right, sir?	00:00:06	Watts.160
197:18 - 197:21	<b>Watts, Richard 2022-08-04</b> 197:18 A. Yes. 197:19 Q. And what the board was told 197:20 was that Bumble was maintaining a gross 197:21 margin in excess of 70%, right, sir?	00:00:11	Watts.161
197:24 - 198:05	<b>Watts, Richard 2022-08-04</b> 197:24 A. Yes, I'm just confirming and 197:25 reading but yes. 198:01 198:02 Q. Okay. And the board was told 198:03 that Badoo was maintaining a margin that 198:04 was typically above 80%, at times high 198:05 70%, right?	00:00:12	Watts.162
198:07 - 198:07	<b>Watts, Richard 2022-08-04</b> 198:07 A. Correct.	00:00:01	Watts.163
207:05 - 207:08	<b>Watts, Richard 2022-08-04</b> 207:05 Q. Why is it that Google Play 207:06 Store is better, so much better able to 207:07 distribute your products than any 207:08 alternative Android app store?	00:00:09	Watts.164
207:12 - 207:17	<b>Watts, Richard 2022-08-04</b> 207:12 A. It's where the majority of 207:13 Android users consume or access -- 207:14 sorry -- applications and this is a 207:15 fundamental reason. 207:16 Q. So it's because the Google 207:17 Play Store has all the users, right?	00:00:14	Watts.165
207:19 - 207:23	<b>Watts, Richard 2022-08-04</b> 207:19 A. It has the biggest scale by 207:20 far, to the best of my knowledge, yes. 207:21 Q. So basically, it's because 207:22 Google has so much market share regarding	00:00:09	Watts.166

**Watts**

DESIGNATION	SOURCE	DURATION	ID
	207:23 user base, right?		
207:25 - 207:25	<b>Watts, Richard 2022-08-04</b>	00:00:02	Watts.167
	207:25 A. I would say yes.		

Designation	00:50:08
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<b>TOTAL RUN TIME</b>	<b>00:50:08</b>
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## **Deposition Designations of Paul Perryman**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
11:21 - 11:22	<b>Perryman, Paul 2022-09-28</b> 11:21 PAUL PERRYMAN, 11:22 having been duly sworn, testified as follows:	00:00:13	Perryman_.1
13:07 - 13:09	<b>Perryman, Paul 2022-09-28</b> 13:07 So with that, I guess let me just ask you 13:08 if you can give us your name one more time. 13:09 A. My name is Paul Perryman.	00:00:08	Perryman_.2
13:18 - 13:22	<b>Perryman, Paul 2022-09-28</b> 13:18 Q. How long have you worked at Netflix? 13:19 A. Over 11 years. 13:20 Q. What is your position there today? 13:21 A. I'm vice president of partnerships for the 13:22 Americas.	00:00:11	Perryman_.3
14:23 - 15:01	<b>Perryman, Paul 2022-09-28</b> 14:23 Q. And are you familiar with the methods of 14:24 payment that Netflix offers customers who want to 14:25 buy product from Netflix? 15:01 A. Yes.	00:00:10	Perryman_.4
16:19 - 16:25	<b>Perryman, Paul 2022-09-28</b> 16:19 Q. Does Netflix have an application or app 16:20 that an Android user can download to access 16:21 Netflix's service? 16:22 A. Yes. 16:23 Q. And is that Android app distributed 16:24 through the Google Play Store? 16:25 A. It is.	00:00:15	Perryman_.5
17:03 - 17:14	<b>Perryman, Paul 2022-09-28</b> 17:03 Q. To your knowledge, has Netflix always 17:04 distributed its Android app through the Google Play 17:05 Store? 17:06 A. Yes, it has. 17:07 Q. And to your knowledge, has Netflix ever 17:08 considered removing its Android app from the Google 17:09 Play Store? 17:10 A. No. 17:11 Q. Do you know why not? 17:12 A. Android has a large reach around the world 17:13 and it's an efficient way for us to reach those 17:14 devices.	00:00:29	Perryman_.6

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
17:15 - 17:16	<b>Perryman, Paul 2022-09-28</b> 17:15 Q. And in your view, is the Google Play Store 17:16 the only way to reach Android users?	00:00:08	Perryman_.7
17:21 - 18:01	<b>Perryman, Paul 2022-09-28</b> 17:21 A. Yes. So we have preload where we preload 17:22 the Netflix Android app directly on phones with phone 17:23 manufacturers. 17:24 And so, you know, it's not directly coming 17:25 from the Play Store at that point. So there is 18:01 another avenue through preload.	00:00:18	Perryman_.8
18:02 - 18:07	<b>Perryman, Paul 2022-09-28</b> 18:02 Q. Okay. So setting aside devices that might 18:03 have the Netflix app preloaded, it's your 18:04 understanding that the way a user, an Android user 18:05 can get the Netflix app is through the Google Play 18:06 Store; right? 18:07 A. That's correct.	00:00:16	Perryman_.9
18:08 - 18:12	<b>Perryman, Paul 2022-09-28</b> 18:08 Q. Today can a user of Netflix's Android app 18:09 buy a subscription to Netflix within the app? 18:10 A. Today? 18:11 Q. Today. 18:12 A. No.	00:00:12	Perryman_.10
18:13 - 18:16	<b>Perryman, Paul 2022-09-28</b> 18:13 Q. In the past could a user of Netflix's 18:14 Android app buy a subscription to Netflix within the 18:15 app? 18:16 A. Yes.	00:00:08	Perryman_.11
18:17 - 18:19	<b>Perryman, Paul 2022-09-28</b> 18:17 Q. So at some point Netflix removed that 18:18 functionality; correct? 18:19 A. That's correct.	00:00:06	Perryman_.12
18:20 - 18:21	<b>Perryman, Paul 2022-09-28</b> 18:20 Q. Do you know when approximately that was? 18:21 A. June 1st, 2022.	00:00:06	Perryman_.13
19:25 - 20:03	<b>Perryman, Paul 2022-09-28</b> 19:25 Q. Netflix offered a method of payment at 20:01 least at one point for handling purchases of	00:00:09	Perryman_.14

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	20:02 subscriptions within its Android app; right?		
	20:03 A. Yes.		
22:13 - 23:19	<b>Perryman, Paul 2022-09-28</b>	00:01:24	Perryman_.15
	22:13 Just to be specific, Netflix no longer		
	22:14 offers Google Play Billing as a method of purchase		
	22:15 in its Android app; right?		
	22:16 A. That's correct.		
	22:17 Q. And Netflix no longer offers its own		
	22:18 method of payment in its Android app; right?		
	22:19 A. That's correct.		
	22:20 Q. During the period Netflix was offering		
	22:21 Google Play Billing as an in-app payment option for		
	22:22 Android, what fee was Netflix paying Google for		
	22:23 Google Play Billing transactions?		
	22:24 A. Fifteen percent.		
	22:25 Q. And during that same period when Netflix		
	23:01 was offering its own method of payment on Android --		
	23:02 well, on its Android app, what fee was Netflix		
	23:03 paying for transactions using that method of		
	23:04 payment?		
	23:05 A. Three percent.		
	23:06 Q. So the fee Netflix paid Google to use		
	23:07 Google Play Billing was about five times greater		
	23:08 than the fee Netflix paid for its own method of		
	23:09 payment?		
	23:10 A. That's correct.		
	23:11 Q. At some point I gather in 2017, Netflix		
	23:12 learned that Google was planning to require all of		
	23:13 Netflix's in-app transactions on Android to be done		
	23:14 through Google Play Billing exclusively; is that		
	23:15 true?		
	23:16 A. Yes.		
	23:17 Q. And that was a change from how things had		
	23:18 been done in the past?		
	23:19 A. Yes.		
25:17 - 25:18	<b>Perryman, Paul 2022-09-28</b>	00:00:04	Perryman_.16
	25:17 Q. Do you see Exhibit 2050?		
	25:18 A. I do.		
26:16 - 26:20	<b>Perryman, Paul 2022-09-28</b>	00:00:13	Perryman_.17
	26:16 So in the first paragraph here underneath		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	26:17 where it says "September 29th, 2017," there is an		
	26:18 overview.		
	26:19 Do you see that?		
	26:20 A. Yes.		
27:03 - 27:13	<b>Perryman, Paul 2022-09-28</b>	00:00:21	Perryman_.18
	27:03 Q. Then it goes on and says, "The shift for		
	27:04 Netflix is Google is proposing that only Google Play		
	27:05 Billing is allowed in apps moving forward."		
	27:06 Do you see that?		
	27:07 A. Yes.		
	27:08 Q. And then it goes on to say, "This means		
	27:09 that apps may not use their own form of billing in		
	27:10 their app if they want to be available in the Google		
	27:11 Play Store."		
	27:12 Do you see that?		
	27:13 A. Yes.		
28:04 - 28:08	<b>Perryman, Paul 2022-09-28</b>	00:00:15	Perryman_.19
	28:04 So if Netflix wanted to keep its app in		
	28:05 the Google Play Store, it had to either use Google		
	28:06 Play Billing exclusively or it had to eliminate all		
	28:07 in-app payment functionality; is that fair?		
	28:08 A. That's my understanding.		
28:18 - 28:20	<b>Perryman, Paul 2022-09-28</b>	00:00:06	Perryman_.20
	28:18 Q. You heard about this proposal in or around		
	28:19 September 2017?		
	28:20 A. Yes.		
30:08 - 30:11	<b>Perryman, Paul 2022-09-28</b>	00:00:13	Perryman_.21
	30:08 Q. Netflix also knew in September 2017 that		
	30:09 its own method of payment performed better than		
	30:10 Google Play Billing in key markets; is that fair?		
	30:11 A. Yes.		
30:14 - 30:18	<b>Perryman, Paul 2022-09-28</b>	00:00:11	Perryman_.22
	30:14 Q. One of those key markets where Netflix's		
	30:15 method of payment performed better than Google Play		
	30:16 Billing in September 2017 was the United States;		
	30:17 right?		
	30:18 A. Yes.		
31:07 - 31:25	<b>Perryman, Paul 2022-09-28</b>	00:00:43	Perryman_.23
	31:07 Q. And then go down to the next section, you		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	31:08 see it says, "Offer to Netflix.		
	31:09 The first bullet says, "Become a Platform		
	31:10 Development Partner (Netflix is the only one this is		
	31:11 being offered to at this time)."		
	31:12 Do you see that?		
	31:13 A. Yes.		
	31:14 Q. And then underneath that, it sort of has,		
	31:15 as I understand it, two alternatives.		
	31:16 Do you see that?		
	31:17 A. Yes.		
	31:18 Q. The first one is a 10 percent revenue		
	31:19 share for Google on the condition that Netflix have		
	31:20 a full commitment to Google Play Billing globally.		
	31:21 Do you see that?		
	31:22 A. Yes.		
	31:23 Q. And was that one of the alternatives		
	31:24 Google offered Netflix in September 2017?		
	31:25 A. Yes.		
32:09 - 33:08	<b>Perryman, Paul 2022-09-28</b>	00:01:11	Perryman_.24
	32:09 Was one of the other options that Google		
	32:10 offered Netflix in September 2017 that Netflix could		
	32:11 use the Google Play Billing method of payment in		
	32:12 only some markets?		
	32:13 A. Yes.		
	32:14 Q. And in that case, Netflix would pay a		
	32:15 15 percent revenue share; is that right?		
	32:16 A. That's correct.		
	32:17 Q. And in any market where they weren't using		
	32:18 Google Play Billing, Netflix would have to use a		
	32:19 consumption-only model; is that right?		
	32:20 A. That's correct.		
	32:21 Q. And since we both I think used the phrase		
	32:22 "consumption-only model," can you just explain what		
	32:23 a consumption-only model is?		
	32:24 A. Sure. So someone downloads our app from the		
	32:25 Play Store. When you launch the app, you'll have an		
	33:01 ability to sign in. So if you have an existing		
	33:02 subscription to Netflix, you would be able to sign in		
	33:03 and use the app.		
	33:04 But there would be no way to sign up for		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	33:05 the service in the app.		
	33:06 Q. Okay. You would have to go somewhere else		
	33:07 to actually sign up for the service, not the app?		
	33:08 A. That's correct.		
37:19 - 37:20	<b>Perryman, Paul 2022-09-28</b>	00:00:11	Perryman_.25
	37:19 Q. So Exhibit 2051 is a document with a Bates		
	37:20 stamp NETFLIX-GOOGLE-2.		
40:05 - 40:07	<b>Perryman, Paul 2022-09-28</b>	00:00:08	Perryman_.26
	40:05 Q. Was it your view that the proposal Google		
	40:06 made to Netflix in September of 2017 was a drastic		
	40:07 change?		
40:09 - 40:12	<b>Perryman, Paul 2022-09-28</b>	00:00:13	Perryman_.27
	40:09 THE WITNESS: It was a change from what we		
	40:10 were doing together, the two parties and, you know,		
	40:11 Google Play Billing and Netflix method of payment.		
	40:12 So yes, it was a change.		
41:21 - 42:03	<b>Perryman, Paul 2022-09-28</b>	00:00:20	Perryman_.28
	41:21 Q. And the -- I think you testified		
	41:22 previously that Netflix, in fact, did design and		
	41:23 execute a quasi-experiment to estimate the impact of		
	41:24 the change. That's true?		
	41:25 A. That's true.		
	42:01 Q. Netflix also modeled the financial impact		
	42:02 of the change. That's also true?		
	42:03 A. Yes.		
45:14 - 45:18	<b>Perryman, Paul 2022-09-28</b>	00:00:16	Perryman_.29
	45:14 Q. Was one of the reasons Netflix believed it		
	45:15 didn't make sense to accept Google's proposal that		
	45:16 Google was not as motivated or sophisticated at		
	45:17 handling recurring payments?		
	45:18 A. Yes, that was our belief.		
46:07 - 46:10	<b>Perryman, Paul 2022-09-28</b>	00:00:06	Perryman_.30
	46:07 Q. It says, "recovery rates for Netflix MOP		
	46:08 are significantly better than Google."		
	46:09 Do you see that?		
	46:10 A. I do.		
46:15 - 47:21	<b>Perryman, Paul 2022-09-28</b>	00:01:22	Perryman_.31
	46:15 What is a recovery rate, by the way?		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
46:16	A. Recovery rate is we've tried to bill a		
46:17	method of payment and that transaction fails. So we		
46:18	will try again and then that's kind of the recovery		
46:19	effort is trying to bill a method of payment a second,		
46:20	a third, fourth time.		
46:21	Q. So this is like I try to use my credit		
46:22	card, it doesn't go through for some reason, so I		
46:23	try to use it again and then, lo and behold, for		
46:24	whatever reason, it goes through?		
46:25	A. You could say that.		
47:01	Q. Was it true in October 2017 that recovery		
47:02	rates for Netflix's method of payments were		
47:03	significantly better than Google?		
47:04	A. Yes.		
47:05	Q. If you go to the next sentence, it says		
47:06	"Plus, we continue to add innovative features."		
47:07	Do you see that?		
47:08	A. Yes.		
47:09	Q. "We continue to add innovative features		
47:10	like the ability to partially bill and offer		
47:11	prorated service based on available funds. These		
47:12	features are unlikely to be introduced by Google and		
47:13	should remain part of our subscription		
47:14	secret-sauce."		
47:15	Do you see that?		
47:16	A. Yes.		
47:17	Q. Did Netflix have innovative features		
47:18	regarding recurring payments?		
47:19	A. Absolutely. We do lots of innovation, A/B		
47:20	testing, always looking to improve our ability to		
47:21	bill.		
48:05 - 48:07	<b>Perryman, Paul 2022-09-28</b>	00:00:07	Perryman_.32
48:05	But to your knowledge, Google didn't have		
48:06	those innovative features in October of 2017; is		
48:07	that fair?		
48:09 - 48:09	<b>Perryman, Paul 2022-09-28</b>	00:00:02	Perryman_.33
48:09	THE WITNESS: Not to my knowledge.		
48:16 - 49:21	<b>Perryman, Paul 2022-09-28</b>	00:01:31	Perryman_.34
48:16	Q. Was one of the reasons that Netflix		
48:17	thought it wasn't a good idea to accept Google's		



**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
48:18	proposal that Google Play Billing had poor		
48:19	underlying method of payments for Google Play		
48:20	accounts?		
48:21	A. That's correct.		
48:22	Q. And what does it mean for an underlying		
48:23	method of payment to be poor?		
48:24	A. It could be things like a gift card or a		
48:25	pre-paid card, things that have a limited amount of		
49:01	funds in them. It's not reliable over time that there		
49:02	will be sufficient funds on those methods of payment		
49:03	to continue billing for the Netflix subscription.		
49:04	Q. So somebody might go to log into their		
49:05	Netflix account expecting to watch some great movie		
49:06	and find that, lo and behold, their subscription has		
49:07	lapsed because a method of payment was limited?		
49:08	A. Well, that's pretty close. I would say		
49:09	that, you know, we go to try to bill the method of		
49:10	payment at the end of the month or the end of the		
49:11	billing period and there's not sufficient funds on		
49:12	that method of payment.		
49:13	And therefore, we'll get an involuntary		
49:14	churn if there's not sufficient funds.		
49:15	Q. By involuntary churn, you mean this is		
49:16	somebody who, as best you can tell, wants the		
49:17	Netflix subscription but the method of payment just		
49:18	isn't set up to pay for it?		
49:19	A. That's right. It's cancellation of the		
49:20	subscription other than the consumer voluntarily		
49:21	canceling.		
54:14 - 54:24	<b>Perryman, Paul 2022-09-28</b>	00:00:36	Perryman_.35
54:14	Q. And was one of the reasons Netflix was --		
54:15	was one of the reasons that Netflix believed that		
54:16	Google's proposal would be bad for Netflix that it		
54:17	would cause Netflix to benefit Netflix's own		
54:18	competitors?		
54:19	A. That's -- I would agree with that. I mean,		
54:20	we were sharing with Google kind of our secrets on how		
54:21	do you optimize for recurring billing.		
54:22	And so, you know, in some sense that would		
54:23	help us, but it would also help them and some of our		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	54:24 competitors.		
55:02 - 55:21	<b>Perryman, Paul 2022-09-28</b>	00:00:52	Perryman_.36
	55:02 You guys put a lot of effort into figuring		
	55:03 out how to make recurring billing work well; is that		
	55:04 fair?		
	55:05 A. Yes.		
	55:06 Q. As a result of those efforts, you had come		
	55:07 up with some innovative solutions. Is that also		
	55:08 fair?		
	55:09 A. Yes.		
	55:10 Q. And by agreeing to Google's proposal, you		
	55:11 would be put in a position in essence where you		
	55:12 would have to share the result of all that hard work		
	55:13 with Google; right?		
	55:14 A. We weren't required to share, you know, our		
	55:15 secret sauce; but as a partnership, we were sharing		
	55:16 our secret sauce.		
	55:17 Q. If you wanted any of those innovations you		
	55:18 worked so hard on to be part of the experience a		
	55:19 user had using Google Play Billing to buy a Netflix		
	55:20 subscription, you would have to share it; right?		
	55:21 A. That's right.		
56:02 - 56:09	<b>Perryman, Paul 2022-09-28</b>	00:00:21	Perryman_.37
	56:02 Q. Yeah. And it would have meant that your		
	56:03 competitors like YouTube TV and Hulu and HBO Now		
	56:04 would have also benefited from your hard work; is		
	56:05 that fair?		
	56:06 A. Following the logic, if they were using		
	56:07 Google Play Billing and Google Play Billing was		
	56:08 implementing the secret sauce well, then yes, they		
	56:09 would.		
56:14 - 57:01	<b>Perryman, Paul 2022-09-28</b>	00:00:43	Perryman_.38
	56:14 Q. Was one of the concerns Netflix had in		
	56:15 October 2017 about Google's proposal that switching		
	56:16 to using Google Play Billing exclusively would cause		
	56:17 customer support challenges?		
	56:18 A. Yes.		
	56:19 Q. What were the challenges that Netflix was		
	56:20 concerned -- or at least the customer service		
	56:21 challenges Netflix was concerned would result from a		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	56:22 switch to using Google Play Billing exclusively?		
	56:23 A. Just summarizing it, it just introduces more		
	56:24 friction. And for the consumer, it introduces more		
	56:25 friction, which makes, you know, our relationship with		
	57:01 them more difficult to manage.		
58:20 - 59:04	<b>Perryman, Paul 2022-09-28</b>	00:00:32	Perryman_.39
	58:20 Q. Was one of the reasons Netflix believed		
	58:21 that Google's proposal would be bad for Netflix that		
	58:22 Netflix would lose control of the cancel experience?		
	58:23 A. It was a consideration.		
	58:24 Q. Okay. What does it mean to lose control		
	58:25 of the cancel experience?		
	59:01 A. If a member wanted to cancel their		
	59:02 subscription, they couldn't come directly to us to do		
	59:03 it. We would have to redirect them over to Google to		
	59:04 complete that cancellation.		
59:20 - 60:03	<b>Perryman, Paul 2022-09-28</b>	00:00:23	Perryman_.40
	59:20 Q. And Netflix was at that time experimenting		
	59:21 with innovative ideas to optimize the cancellation		
	59:22 flow?		
	59:23 A. We're always innovating in that area.		
	59:24 Q. And if Netflix had switched to Google Play		
	59:25 Billing exclusively for its Android app, it would		
	60:01 not have been able to offer those innovations; is		
	60:02 that fair?		
	60:03 A. That's correct.		
60:09 - 60:14	<b>Perryman, Paul 2022-09-28</b>	00:00:19	Perryman_.41
	60:09 Q. Was the possibility of friction when		
	60:10 transitioning between methods of payment one of the		
	60:11 reasons Netflix believed that the Google proposal		
	60:12 would be bad for Netflix?		
	60:13 A. Yes, this was also part of the		
	60:14 consideration.		
61:10 - 61:13	<b>Perryman, Paul 2022-09-28</b>	00:00:11	Perryman_.42
	61:10 Q. And was it the case at the time that		
	61:11 Google did not handle the transition between methods		
	61:12 of payment gracefully?		
	61:13 A. Yes, there were issues.		
61:18 - 61:23	<b>Perryman, Paul 2022-09-28</b>	00:00:17	Perryman_.43

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	61:18 Q. Was one of the reasons Netflix believed		Perryman_.43
	61:19 Google's proposal would be bad for Netflix that		
	61:20 Netflix would lose flexibility to make price		
	61:21 changes?		
	61:22 A. Yes, that was also part of the		
	61:23 consideration.		
62:03 - 62:05	<b>Perryman, Paul 2022-09-28</b>	00:00:09	Perryman_.44
	62:03 Why would Netflix lose the ability to		
	62:04 change its price if it switched to using exclusively		
	62:05 Google Play Billing on Android?		
62:07 - 62:13	<b>Perryman, Paul 2022-09-28</b>	00:00:21	Perryman_.45
	62:07 THE WITNESS: My understanding of it, a		
	62:08 complexity to how we would implement price changes		
	62:09 because you're using, you know, a third party, in		
	62:10 this case Google Play Billing, to implement those		
	62:11 changes.		
	62:12 It just adds more complexity to carry out		
	62:13 those price changes.		
63:05 - 63:16	<b>Perryman, Paul 2022-09-28</b>	00:00:31	Perryman_.46
	63:05 Q. Was it the case in October 2017 that		
	63:06 Google Play Billing did not accept Netflix gift		
	63:07 cards?		
	63:08 A. That's correct.		
	63:09 Q. It did accept Google Play gift cards?		
	63:10 A. That's correct.		
	63:11 Q. So if Netflix switched to using Google		
	63:12 Play Billing exclusively for its Android app, then		
	63:13 none of the people who received Netflix gift cards		
	63:14 would be able to use those gift cards in that app;		
	63:15 right?		
	63:16 A. That's correct. It would --		
63:18 - 63:20	<b>Perryman, Paul 2022-09-28</b>	00:00:08	Perryman_.47
	63:18 THE WITNESS: -- create a poor user		
	63:19 experience if you had a Netflix gift card and then		
	63:20 couldn't deem it where you wanted to.		
63:22 - 65:02	<b>Perryman, Paul 2022-09-28</b>	00:01:31	Perryman_.48
	63:22 Q. Number 12, "Diminishing Value of		
	63:23 Providing Credibility & Legitimacy."		
	63:24 Do you see that?		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	63:25 A. Yes.		
	64:01 Q. Do you understand what this means?		
	64:02 A. Yes.		
	64:03 Q. What does it mean?		
	64:04 A. Well, for smaller app developers, there is a		
	64:05 level of trust that you need in order for a consumer		
	64:06 to give you a credit card or their debit card.		
	64:07 I think for some apps -- companies that		
	64:08 are not as well known, it's hard to get that from us		
	64:09 with consumers.		
	64:10 So if Google billing is doing that		
	64:11 billing, they might have a higher level of trust		
	64:12 with Google and more likely to, you know, give their		
	64:13 method of payment to Google or Netflix.		
	64:14 And so as a company gets bigger and		
	64:15 becomes more well known and trusted, then consumers		
	64:16 are more likely to give that method of payment		
	64:17 directly to the company, which is the case with		
	64:18 Netflix.		
	64:19 Netflix was new, entering more markets		
	64:20 back in this time. So we weren't as well known in		
	64:21 some of the newer markets, so you haven't		
	64:22 established that trust level.		
	64:23 And so that's what we talk about the		
	64:24 diminishing over time as we become more well known,		
	64:25 that that advantage that Google Play Billing would		
	65:01 have as a trusted brand would diminish as trust in		
	65:02 our brand goes up.		
66:04 - 66:07	<b>Perryman, Paul 2022-09-28</b>	00:00:14	Perryman_.49
	66:04 Was one of the reasons Netflix thought		
	66:05 Google's proposal was bad for Netflix that Google		
	66:06 was asking for a revenue share?		
	66:07 A. Yes.		
66:17 - 66:20	<b>Perryman, Paul 2022-09-28</b>	00:00:13	Perryman_.50
	66:17 Q. So accepting Google's proposal would have		
	66:18 increased Netflix's method of payment cost by a		
	66:19 multiple of three to five; is that right?		
	66:20 A. That's correct.		
67:21 - 68:10	<b>Perryman, Paul 2022-09-28</b>	00:00:37	Perryman_.51
	67:21 Q. Was that true, Netflix was crafting an		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	67:22 experiment at this time?		
	67:23 A. Yes.		
	67:24 Q. Was it a holdback test?		
	67:25 A. It was.		
	68:01 Q. Can you explain what a holdback test is,		
	68:02 please.		
	68:03 A. Yes. So in a holdback test, we pick a		
	68:04 market and a certain set of people coming to our app		
	68:05 in that market would get a Google Play Billing		
	68:06 experience.		
	68:07 And then there would be another group		
	68:08 within that market who would not have any ability to		
	68:09 sign up, so they would have a consumption-only		
	68:10 experience.		
69:21 - 70:02	<b>Perryman, Paul 2022-09-28</b>	00:00:21	Perryman_.52
	69:21 Q. Okay. So there was some expectation at		
	69:22 least that having the availability of an in-app		
	69:23 payment method would provide more users overall than		
	69:24 not having any in-app method at all?		
	69:25 A. Absolutely. There's less friction. If you		
	70:01 have billing within the app, you're going to get more		
	70:02 sign-ups.		
70:20 - 70:23	<b>Perryman, Paul 2022-09-28</b>	00:00:14	Perryman_.53
	70:20 Q. When Netflix modeled the effect of a		
	70:21 switch to using Google Play Billing exclusively, did		
	70:22 they assess that impact financially?		
	70:23 A. Yes, we did.		
71:22 - 71:24	<b>Perryman, Paul 2022-09-28</b>	00:00:05	Perryman_.54
	71:22 Q. Okay. Do you see what's been marked as		
	71:23 Exhibit 2052?		
	71:24 A. I see.		
72:03 - 72:07	<b>Perryman, Paul 2022-09-28</b>	00:00:12	Perryman_.55
	72:03 Q. So can you just tell me in general what		
	72:04 this document is?		
	72:05 A. This was a presentation we developed to		
	72:06 share with Google our findings from the tests that we		
	72:07 had been running.		
73:08 - 73:15	<b>Perryman, Paul 2022-09-28</b>	00:00:18	Perryman_.56
	73:08 Q. Okay. And then underneath that it says,		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	73:09 "Our recently completed quasi-experiment further		
	73:10 confirms," and then there's some bullets.		
	73:11 Do you see those?		
	73:12 A. I do.		
	73:13 Q. Are these bullets the results of that 2018		
	73:14 quasi-experiment?		
	73:15 A. Yes. They are.		
73:22 - 74:10	<b>Perryman, Paul 2022-09-28</b>	00:00:40	Perryman_.57
	73:22 So in the first bullet underneath the one		
	73:23 we were just reading, it says, "Google Play Billing		
	73:24 underperforms relative to Netflix."		
	73:25 Do you see that?		
	74:01 A. Yes.		
	74:02 Q. Do you know what that means?		
	74:03 A. Yes, I do.		
	74:04 Q. What does it mean?		
	74:05 A. Again, when we go back and look at what's		
	74:06 the kind of lifetime value or total net revenue that		
	74:07 Netflix receives, we receive less revenue using Google		
	74:08 Play Billing relative to if Netflix were doing the		
	74:09 billing or even if we were doing a consumption-only		
	74:10 app, the revenue would outperform Google Play Billing.		
75:03 - 75:04	<b>Perryman, Paul 2022-09-28</b>	00:00:06	Perryman_.58
	75:03 Q. Okay. And then the next bullet says,		
	75:04 "Much lower retention on Google Play Billing."		
75:09 - 75:20	<b>Perryman, Paul 2022-09-28</b>	00:00:44	Perryman_.59
	75:09 Q. Could you tell me what that means, please.		
	75:10 A. This really goes back to how well the method		
	75:11 of payment performs over time. You know, if you look		
	75:12 at -- we look at periods and a period is, say, a		
	75:13 month. So each month we're looking at what's the		
	75:14 retention of a member.		
	75:15 With Google Play Billing, those retention		
	75:16 curves start dropping off much faster than if it		
	75:17 were Netflix billing.		
	75:18 Even in the consumption-only model, which		
	75:19 again is Netflix billing, we have a better retention		
	75:20 curve than what Google Play Billing did.		
81:17 - 81:20	<b>Perryman, Paul 2022-09-28</b>	00:00:14	Perryman_.60

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	81:17 Q. Let's go to the next page, if		Perryman_.60
	81:18 you would. This is the one with the Bates		
	81:19 Number 26.		
	81:20 A. Mm-hmm.		
81:25 - 84:10	<b>Perryman, Paul 2022-09-28</b>	00:03:05	Perryman_.61
	81:25 Q. And it says, We estimate -- first bullet,		
	82:01 "We estimate that approximately 18 percent of Google		
	82:02 Play Billing sign-ups are incremental to Netflix."		
	82:03 Do you see that?		
	82:04 A. That's right, I do.		
	82:05 Q. So this means that more people signed up		
	82:06 for Netflix when they had the option to buy a		
	82:07 subscription in the Android app than when they only		
	82:08 had the option to buy it on the web; is that right?		
	82:09 A. That's right.		
	82:10 Q. Okay. And then in the next bullet it		
	82:11 says, "Assuming all Android in-app sign-ups came		
	82:12 through Google Play Billing, Netflix would lose		
	82:13 approximately 250 million U.S. dollars on one year		
	82:14 of sign-ups, even when accounting for the		
	82:15 incremental uplift."		
	82:16 Do you see that?		
	82:17 A. I do.		
	82:18 Q. So even after accounting for the fact that		
	82:19 more people will sign up in-app using Google Play		
	82:20 Billing than would sign up just on the web, Netflix		
	82:21 would still also 250 million U.S. dollars on a		
	82:22 single year of sign-ups.		
	82:23 Is that what the experiment showed?		
	82:24 A. Yes.		
	82:25 Q. And then the next bullet says, "The		
	83:01 revenue share of 15 percent paid to Google accounts		
	83:02 for less than half of the financial loss."		
	83:03 Do you see that?		
	83:04 A. I do.		
	83:05 Q. That's interesting.		
	83:06 Do you know what that means?		
	83:07 A. Well, it means that that 250 million isn't		
	83:08 all, you know, fees going to Google. It really gets		
	83:09 at that the performance of their methods of payment		



**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	83:10 are lower than Netflix methods of payment.		
	83:11 And that goes back to these retention		
	83:12 curves is that our billing system is more successful		
	83:13 in collecting revenue over a longer period of time		
	83:14 than Google's billing system.		
	83:15 Q. Right. So more than 200 -- more than half		
	83:16 of this \$250 million is due simply to differences		
	83:17 between the performance of Google Play Billing and		
	83:18 the performance of Netflix's own method of payment;		
	83:19 right?		
	83:20 A. That's right.		
	83:21 Q. Let's go to the next slide. This is the		
	83:22 one that says, "In Summary."		
	83:23 A. Mm-hmm.		
	83:24 Q. The first bullet says, "We don't see a		
	83:25 scenario where Google's payment system would		
	84:01 outperform, or even match our own."		
	84:02 I'll read the next bullet -- well, do you		
	84:03 know what that first bullet means?		
	84:04 A. Yes.		
	84:05 Q. What does it mean?		
	84:06 A. Well, candidly, even if we paid zero fees to		
	84:07 Google, rev-share fees, it would still be negative for		
	84:08 us. And so there's really no scenario as we were		
	84:09 contemplating at the time that would have made a		
	84:10 financial sense for us to continue.		
85:16 - 85:20	<b>Perryman, Paul 2022-09-28</b>	00:00:19	Perryman_.62
	85:16 Q. As a result of the experiment Netflix had		
	85:17 conducted, did Netflix decide to continue using its		
	85:18 own method of payment for Android in-app purchases		
	85:19 in July 2018?		
	85:20 A. Yes.		
86:17 - 86:17	<b>Perryman, Paul 2022-09-28</b>	00:00:04	Perryman_.63
	86:17 Q. Have you seen what's depicted as		
86:18 - 86:18	<b>Perryman, Paul 2022-09-28</b>	00:00:01	Perryman_.64
	86:18 Exhibit 713 before?		
86:22 - 87:03	<b>Perryman, Paul 2022-09-28</b>	00:00:12	Perryman_.65
	86:22 THE WITNESS: I've seen this before around		
	86:23 the time it was published.		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	86:24 BY MR. DENNING:		
	86:25 Q. This was published -- it says here,		
	87:01 "September 28, 2020."		
	87:02 Do you see that?		
	87:03 A. Yes.		
88:17 - 88:25	<b>Perryman, Paul 2022-09-28</b>	00:00:29	Perryman_.66
	88:17 Q. So you took this to be Google implementing		
	88:18 the policy it had discussed with Netflix going all		
	88:19 the way back to 2017?		
	88:20 A. That's correct.		
	88:21 Q. And at that point Google -- excuse me. At		
	88:22 that point Netflix had to make a decision about		
	88:23 whether to switch to using Google Play Billing or to		
	88:24 make its app on Android consumption only; right?		
	88:25 A. That's correct.		
89:01 - 89:15	<b>Perryman, Paul 2022-09-28</b>	00:00:46	Perryman_.67
	89:01 Q. What did Netflix ultimately decide in that		
	89:02 regard?		
	89:03 A. Based on the quasi-experiments and the		
	89:04 holdback tests that we ran, we decided it was in our		
	89:05 best interest to move to consumption only.		
	89:06 Q. Okay. Is it fair to say Netflix would		
	89:07 have preferred to continue offering its own method		
	89:08 of payment in-app on Android?		
	89:09 A. Yes. That would have been created the most		
	89:10 net revenue for us is to be able to offer Netflix's		
	89:11 method of payment in-app on Android.		
	89:12 Q. It would have been better for Netflix's		
	89:13 business to continue offering its own method of		
	89:14 payment in-app on Android; fair?		
	89:15 A. Fair.		
91:19 - 91:25	<b>Perryman, Paul 2022-09-28</b>	00:00:24	Perryman_.68
	91:19 Q. Were you aware that the people who did the		
	91:20 financial modeling of Google's proposal had also		
	91:21 modeled a scenario where Netflix would continue to		
	91:22 use its method of payment on Google Play and they		
	91:23 compared that scenario to Netflix going to		
	91:24 consumption only?		
	91:25 A. Yes, I was aware.		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
93:13 - 93:18	<b>Perryman, Paul 2022-09-28</b> 93:13 Q. What this analysis shows in Rows 54 93:14 through 58 of Exhibit 2054 is that the move from 93:15 using Netflix's own method of payment in its Android 93:16 app to being a consumption-only Android app cost 93:17 Netflix \$137 million; right? 93:18 A. That's what this analysis shows, yes.	00:00:26	Perryman_.69
93:22 - 93:24	<b>Perryman, Paul 2022-09-28</b> 93:22 Q. When we say \$137 million, the analysis is 93:23 for one year of sign-up; right? 93:24 A. That's correct.	00:00:09	Perryman_.70
101:09 - 101:11	<b>Perryman, Paul 2022-09-28</b> 101:09 Q. Mr. Perryman, good afternoon. My name is 101:10 Michelle Park Chiu. I am an attorney for Google. I 101:11 have some questions to ask you today.	00:00:10	Perryman_.71
101:14 - 101:20	<b>Perryman, Paul 2022-09-28</b> 101:14 Q. So, Mr. Perryman, are you aware 101:15 approximately how many Android mobile devices there 101:16 are worldwide? 101:17 A. It has to be over a billion. 101:18 Q. By distributing the Netflix app on Android 101:19 devices, Android -- excuse me, Netflix has access to 101:20 billions of mobile phones; correct?	00:00:30	Perryman_.72
101:22 - 101:24	<b>Perryman, Paul 2022-09-28</b> 101:22 THE WITNESS: We have -- you know, we're 101:23 in the Play Store, so yes, theoretically there is 101:24 opportunity to get on all those phones.	00:00:08	Perryman_.73
102:07 - 103:06	<b>Perryman, Paul 2022-09-28</b> 102:07 Q. So in addition to being available on 102:08 Android devices, Netflix is also available through 102:09 iOS on Apple devices; correct? 102:10 A. Yes. 102:11 Q. And Netflix is also available on game 102:12 consoles such as PlayStation and Xbox; is that 102:13 correct? 102:14 A. Yes, it is. 102:15 Q. Netflix is also available through desktop 102:16 computers, laptop computers via web browser; is that 102:17 right?	00:01:03	Perryman_.74

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	102:18 A. That's correct.		
	102:19 Q. Netflix is also available on smart TVs;		
	102:20 correct?		
	102:21 A. Yes.		
	102:22 Q. And users can also access Netflix		
	102:23 streaming media players, for example, Roku, Apple		
	102:24 TV, Fire TV and Chromecast; is that right?		
	102:25 A. Yes.		
	103:01 Q. Netflix is also available to users through		
	103:02 set-top boxes; is that right?		
	103:03 A. Yes.		
	103:04 Q. And Netflix is also available through some		
	103:05 Blu-Ray players; is that correct?		
	103:06 A. Yes.		
103:25 - 104:10	<b>Perryman, Paul 2022-09-28</b>	00:00:37	Perryman_.75
	103:25 Q. Regarding how Netflix users use the		
	104:01 Netflix services, a user can start streaming through		
	104:02 Netflix on one device and then pick up and finish		
	104:03 viewing that program on a different device; is that		
	104:04 correct?		
	104:05 A. Yes, it is.		
	104:06 Q. So, for example, an Android user could		
	104:07 start watching a movie through Netflix on their		
	104:08 phone and come home and finish watching that same		
	104:09 program on their TV in their living room; correct?		
	104:10 A. Yes.		
104:13 - 104:20	<b>Perryman, Paul 2022-09-28</b>	00:00:24	Perryman_.76
	104:13 Q. It's correct that an Android user today		
	104:14 can download the Netflix app through the Google Play		
	104:15 Store; correct?		
	104:16 A. Yes.		
	104:17 Q. And a Netflix user is able to subscribe to		
	104:18 Netflix on a number of different channels including,		
	104:19 for example, the browser, their streaming console or		
	104:20 even through the TV; is that correct?		
104:22 - 104:22	<b>Perryman, Paul 2022-09-28</b>	00:00:02	Perryman_.77
	104:22 THE WITNESS: Correct.		
104:24 - 105:01	<b>Perryman, Paul 2022-09-28</b>	00:00:12	Perryman_.78
	104:24 Q. Currently today here in 2022, Netflix has		

**Perryman\_**

DESIGNATION	SOURCE	DURATION	ID
	104:25 not paid Google a service fee for having the Netflix		
	105:01 app on the Google Play Store; correct?		
105:03 - 105:04	<b>Perryman, Paul 2022-09-28</b>	00:00:05	Perryman_.79
	105:03 THE WITNESS: We are consumption only		
	105:04 today, so there is no referral fees.		
105:25 - 106:03	<b>Perryman, Paul 2022-09-28</b>	00:00:11	Perryman_.80
	105:25 Q. Now, Netflix is not required to use Google		
	106:01 Play Billing in order to be distributed via the		
	106:02 Google Play Store; is that correct?		
	106:03 A. That's correct.		

Designation	00:31:57
<b>TOTAL RUN TIME</b>	<b>00:31:57</b>

## **Deposition Designations of Eric Chu**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

## Chu

DESIGNATION	SOURCE	DURATION	ID
14:13 - 14:15	<b>Chu, Eric 2021-12-20</b> 14:13 ERIC CHU 14:14 having been administered an oath, was examined and 14:15 testified as follows:	00:00:14	Chu.1
15:07 - 15:09	<b>Chu, Eric 2021-12-20</b> 15:07 Let me start by asking you to please state 15:08 your full name for the record. 15:09 A. Eric Chu.	00:00:07	Chu.2
16:12 - 16:13	<b>Chu, Eric 2021-12-20</b> 16:12 Q. Who are you currently employed by? 16:13 A. Meta Platforms.	00:00:04	Chu.3
16:15 - 16:17	<b>Chu, Eric 2021-12-20</b> 16:15 When did your affiliation with Meta 16:16 Platforms begin? 16:17 A. In October.	00:00:06	Chu.4
16:18 - 16:19	<b>Chu, Eric 2021-12-20</b> 16:18 Q. Right after you left Google, essentially? 16:19 A. Yes.	00:00:06	Chu.5
17:02 - 17:04	<b>Chu, Eric 2021-12-20</b> 17:02 Q. Okay. And Meta Platforms is the company 17:03 formerly known as Facebook, right? 17:04 A. Correct.	00:00:06	Chu.6
23:17 - 23:19	<b>Chu, Eric 2021-12-20</b> 23:17 Q. When did you join Google? 23:18 A. Approximately 14 years ago. 23:19 Q. Would that be 2007?	00:00:19	Chu.7
23:20 - 23:20	<b>Chu, Eric 2021-12-20</b> 23:20 A. It seems reasonable.	00:00:02	Chu.8
29:07 - 29:10	<b>Chu, Eric 2021-12-20</b> 29:07 Q. And what was your role as head of Android 29:08 developer ecosystem? 29:09 A. To work with developers to get apps 29:10 developed for Android.	00:00:19	Chu.9
29:11 - 29:16	<b>Chu, Eric 2021-12-20</b> 29:11 Q. And in that role, did you take part in 29:12 launching of what was known as the Android Market? 29:13 A. Yes, that was part of my role.	00:00:23	Chu.10

## Chu

DESIGNATION	SOURCE	DURATION	ID
	29:14 Q. And Android Market was, at some later 29:15 point, rebranded as the Google Play Store, correct? 29:16 A. That is correct.		
32:23 - 33:01	<b>Chu, Eric 2021-12-20</b> 32:23 Q. Did there come a time when you began 32:24 working at Google's YouTube? 32:25 A. I worked at Google YouTube the last three 33:01 years.	00:00:12	Chu.11
33:14 - 33:15	<b>Chu, Eric 2021-12-20</b> 33:14 Q. And what was your role at YouTube? 33:15 A. Engineering director for YouTube commerce.	00:00:07	Chu.12
34:25 - 35:05	<b>Chu, Eric 2021-12-20</b> 34:25 Your view of Android Market is that it was 35:01 a content distribution system, correct? 35:02 A. That is correct. 35:03 Q. And the content specifically is app 35:04 distribution, correct? 35:05 A. Correct.	00:00:14	Chu.13
37:03 - 37:05	<b>Chu, Eric 2021-12-20</b> 37:03 Was the Android Market intended to create 37:04 a profit center for Google? 37:05 A. Not when I was involved.	00:00:11	Chu.14
38:01 - 38:05	<b>Chu, Eric 2021-12-20</b> 38:01 The specific rev share that you're 38:02 alluding to initially was intended to be no more 38:03 than 5 percent to Google, 25 percent -- up to 25 38:04 percent to carriers and 70 percent to developers, 38:05 correct?	00:00:24	Chu.15
38:07 - 38:10	<b>Chu, Eric 2021-12-20</b> 38:07 THE WITNESS: The rev share structure that 38:08 we operated under when I was on Android Market was, 38:09 as you said, 70 percent to developers, 25 percent to 38:10 carriers and Google kept 5 percent.	00:00:17	Chu.16
67:18 - 67:19	<b>Chu, Eric 2021-12-20</b> 67:18 MR. EVEN: Can you please open up Exhibit 67:19 298.	00:00:06	Chu.17
68:10 - 68:13	<b>Chu, Eric 2021-12-20</b> 68:10 Q. My first question, Mr. Chu, is: Is this	00:00:18	Chu.18



## Chu

DESIGNATION	SOURCE	DURATION	ID
	68:11 an email that was sent to you by Mr. Rubin on August		
	68:12 27, 2008, at 6:35 a.m.?		
	68:13 A. That's what I'm reading here.		
70:07 - 70:19	<b>Chu, Eric 2021-12-20</b>	00:00:32	Chu.19
	70:07 Q. Do you see that there is a list of FAQs		
	70:08 there?		
	70:09 A. Yes.		
	70:10 Q. And do you see that the second one is:		
	70:11 "Is the Android Market the only revenue model for		
	70:12 Android?"		
	70:13 A. I see that question.		
	70:14 Q. And you see that, in response to that, the		
	70:15 answer that you draft -- that you drafted was: "No.		
	70:16 Google will not be operating the Android Market as a		
	70:17 profit center."		
	70:18 Do you see that?		
	70:19 A. I see what is written there.		
71:10 - 71:16	<b>Chu, Eric 2021-12-20</b>	00:00:16	Chu.20
	71:10 Q. Sir, let me ask it again.		
	71:11 Did I read this correctly? Does it say:		
	71:12 "Google will collect a small charge to cover costs		
	71:13 of handling and billing"?		
	71:14 A. You've read correctly -- you've read --		
	71:15 what you've read is consistent with what I'm seeing		
	71:16 in the doc.		
76:05 - 76:08	<b>Chu, Eric 2021-12-20</b>	00:00:31	Chu.21
	76:05 MR. EVEN: Yes. And I will mark Exhibit		
	76:06 299. That is an email. It says from Google		
	76:07 Documents on behalf of Eric Chu to Eric Chu. It is		
	76:08 dated October 22nd, 2008, and the subject is		
76:09 - 76:09	<b>Chu, Eric 2021-12-20</b>	00:00:07	Chu.22
	76:09 "Android's User-Driven Content."		
76:10 - 76:15	<b>Chu, Eric 2021-12-20</b>	00:00:08	Chu.23
	76:10 Q. Mr. Chu, what is this document?		
	76:11 A. I'm reading it right now.		
	76:12 (Pause.)		
	76:13 A. Again, I cannot recall this document. In		
	76:14 looking at it, it looks like it's another proposed		
	76:15 blog post.		

## Chu

DESIGNATION	SOURCE	DURATION	ID
77:03 - 77:08	<b>Chu, Eric 2021-12-20</b>	00:00:14	Chu.24
77:03	Q. Okay. Do you understand that this is an		
77:04	email that you received at the time? It says: "To:		
77:05	Ericchu@google.com" with the content that we're		
77:06	seeing now.		
77:07	A. I see. If that's what it means, then,		
77:08	yes, this is an email that I sent to myself.		
77:18 - 77:21	<b>Chu, Eric 2021-12-20</b>	00:00:10	Chu.25
77:18	Q. All right. Do you see that at the top of		
77:19	the draft it says "Android Market Goes Live" and the		
77:20	date is October 22, 2008?		
77:21	A. I see that.		
78:13 - 78:25	<b>Chu, Eric 2021-12-20</b>	00:00:49	Chu.26
78:13	Q. Looking at the fourth full paragraph, you		
78:14	see that the first sentence says: "Starting in		
78:15	early Q1, developers will also be able to distribute		
78:16	paid apps in addition to free apps"?		
78:17	Did I read that correctly?		
78:18	A. That is what -- is consistent with what's		
78:19	there.		
78:20	Q. And you then write, quote: "Developers		
78:21	will get 70% of the revenue from each purchase; the		
78:22	remaining amount goes to carriers and billing		
78:23	settlement fees -nothing goes to Google."		
78:24	Do you see that?		
78:25	A. It's consistent with what's written there.		
79:11 - 79:16	<b>Chu, Eric 2021-12-20</b>	00:00:24	Chu.27
79:11	Now, under -- based on this document, by		
79:12	the time the Android Market launched, Google settled		
79:13	on a 70/30 -- settled on developers getting 70		
79:14	percent of the revenue from each purchase, correct?		
79:15	A. Yes, I recall we settling on developers		
79:16	getting 70 percent.		
81:11 - 81:15	<b>Chu, Eric 2021-12-20</b>	00:00:18	Chu.28
81:11	You read this language. You understand		
81:12	that you are emphasizing to developers that Google		
81:13	gets nothing, correct?		
81:14	A. This document is written specifically to		
81:15	call out -- or does call out nothing goes to Google.		

## Chu

DESIGNATION	SOURCE	DURATION	ID
82:04 - 82:05	<b>Chu, Eric 2021-12-20</b>	00:00:07	Chu.29
82:04	MR. EVEN: You can open -- let me -- you		
82:05	can open Exhibit 300, and let me mark that.		
83:09 - 83:14	<b>Chu, Eric 2021-12-20</b>	00:00:13	Chu.30
83:09	Q. And this is a summary of a meeting, as you		
83:10	mentioned, I think, titled "Android Market Business		
83:11	Model GPS."		
83:12	Do you see that?		
83:13	A. I see -- this is consistent with what I'm		
83:14	seeing there.		
83:17 - 83:21	<b>Chu, Eric 2021-12-20</b>	00:00:19	Chu.31
83:17	Q. And this was a high-level meeting with		
83:18	attendees ranging at the top echelon of the company,		
83:19	including Eric Schmidt and Larry Page and Andy Rubin		
83:20	and others, correct?		
83:21	A. Yep.		
84:10 - 84:10	<b>Chu, Eric 2021-12-20</b>	00:00:03	Chu.32
84:10	Q. Okay. And going down to "Key Takeaways,"		
84:11 - 84:13	<b>Chu, Eric 2021-12-20</b>	00:00:08	Chu.33
84:11	do you see that the document lists three takeaways		
84:12	from the meeting, correct?		
84:13	A. Yep.		
89:20 - 89:24	<b>Chu, Eric 2021-12-20</b>	00:00:20	Chu.34
89:20	Q. Going to takeaway No. 3, it says that		
89:21	Google did, in fact, approve a rev share of 70		
89:22	percent to developers, 25 percent to carriers, and 5		
89:23	percent to Google to cover costs, correct?		
89:24	A. It's consistent with what's written there.		
93:23 - 93:23	<b>Chu, Eric 2021-12-20</b>	00:00:02	Chu.35
93:23	Q. Okay. If you go to the next page --		
93:24 - 94:06	<b>Chu, Eric 2021-12-20</b>	00:00:21	Chu.36
93:24	sorry. Under "Android Market Rev Share Discussion,"		
93:25	do you see that it says, quote: "The goal is to		
94:01	give developers volume and the ability to reach		
94:02	millions of users. We win when developers develop		
94:03	for Android because this will drive adoption."		
94:04	Did I read that correctly?		
94:05	A. It's consistent with what's written there.		

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DESIGNATION	SOURCE	DURATION	ID
94:07 - 94:09	94:06 Q. And do I understand this correctly that <b>Chu, Eric 2021-12-20</b>	00:00:12	Chu.37
	94:07 Google believed at the time that if Google can 94:08 attract developers, more users will adopt Android, 94:09 correct?		
94:19 - 95:04	<b>Chu, Eric 2021-12-20</b>	00:00:32	Chu.38
	94:19 THE WITNESS: Correct. That was our 94:20 focus: Attract developers to reach more apps. 94:21 BY MR. EVEN: 94:22 Q. And more apps meant more users, correct? 94:23 A. More utility for users, yes. 94:24 Q. And more utility for users, Google hoped, 94:25 would attract more users to Android, correct? 95:01 A. Correct. 95:02 Q. And more users on Android would attract 95:03 more developers to Android, correct? 95:04 A. Correct.		
106:16 - 106:18	<b>Chu, Eric 2021-12-20</b>	00:00:13	Chu.39
	106:16 Q. And -- and the payment of the rev share to 106:17 carriers was specifically to open up distribution 106:18 for Android Market, correct?		
106:20 - 107:01	<b>Chu, Eric 2021-12-20</b>	00:00:27	Chu.40
	106:20 THE WITNESS: So back then, many of the 106:21 major carriers had their own stores. They get to 106:22 promote, and they also make money off of the store 106:23 -- of their store, I should say. And so this is to 106:24 try to give them an alternative that allowed them to 106:25 monetize even with Android Market, to -- as a way to 107:01 convince them to adopt Android Market.		
107:03 - 107:16	<b>Chu, Eric 2021-12-20</b>	00:00:49	Chu.41
	107:03 Q. And as of this time frame, summer of 2009, 107:04 you understood that carriers could compete with 107:05 Google on app distribution, correct? 107:06 A. As of 2008, 2009, carriers did have 107:07 stores, and they would distribute the apps in their 107:08 own stores. 107:09 Q. And that would be in competition with 107:10 Android Market, correct? 107:11 A. Yes.		

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DESIGNATION	SOURCE	DURATION	ID
	107:12 Q. And you understood that OEMs could		
	107:13 potentially open up their own stores and compete		
	107:14 with Google on app distribution, correct?		
	107:15 A. OEM can include apps on their -- store on		
	107:16 their phones, yes.		
107:17 - 108:10	<b>Chu, Eric 2021-12-20</b>	00:01:01	Chu.42
	107:17 Q. And you understood that some firms tried		
	107:18 to open up their own third-party stores, and those		
	107:19 would compete, potentially, with Android Market,		
	107:20 correct?		
	107:21 A. That was a specific part of the design of		
	107:22 Android and Android Market, to enable anybody if		
	107:23 they want to have stores or enable a user to		
	107:24 download apps from anywhere. So that was by design.		
	107:25 Q. I understand that.		
	108:01 And those third-parity stores, if they had		
	108:02 opened, those would compete with Android Market,		
	108:03 correct?		
	108:04 A. That was part of the design.		
	108:05 Q. That's a "yes," they would compete with		
	108:06 Android Market?		
	108:07 A. It was -- it has always been an intention,		
	108:08 as part of Android, to enable other stores and user		
	108:09 download apps from other stores to, therefore,		
	108:10 compete.		
108:19 - 109:04	<b>Chu, Eric 2021-12-20</b>	00:00:42	Chu.43
	108:19 Q. And so Google started out by offering only		
	108:20 distribution, and then, at some point later, it also		
	108:21 offered in-app purchases, correct?		
	108:22 A. To be more precise, first, Google offered		
	108:23 Android Market for free apps only. There was no		
	108:24 billing. Then later after engineering work and		
	108:25 whatnot, a lot of work, then we added -- Google		
	109:01 added the ability to charge for the download of the		
	109:02 app. Then after a lot of work later, then Google		
	109:03 added the ability to do in-app purchases after they		
	109:04 download the app.		
109:05 - 109:08	<b>Chu, Eric 2021-12-20</b>	00:00:23	Chu.44
	109:05 Q. And at the time, you knew that some		
	109:06 developers were offering in-app purchases using		

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DESIGNATION	SOURCE	DURATION	ID
	109:07 other billing platforms, correct, because Google		
	109:08 didn't have one?		
109:10 - 109:16	<b>Chu, Eric 2021-12-20</b>	00:00:24	Chu.45
	109:10 THE WITNESS: We were more focused on		
	109:11 making that available based on feedback from gaming		
	109:12 developers because they were doing that in the app		
	109:13 store where users can download iOS apps for free and		
	109:14 then pay for something inside the app. So that was		
	109:15 the primary focus, is to deliver the capability so		
	109:16 that we're on par with what Apple was doing.		
109:18 - 110:02	<b>Chu, Eric 2021-12-20</b>	00:00:46	Chu.46
	109:18 Q. I understand. But do you recall that		
	109:19 there were other firms out there, like Boku and Zong		
	109:20 and others, that were offering a billing solution		
	109:21 that allowed developers to offer in-app purchases		
	109:22 even before Checkout began offering that capability?		
	109:23 A. Vaguely remember. I don't remember the		
	109:24 details.		
	109:25 Q. But you remember that existed, correct?		
	110:01 A. Vaguely. Now that you mention Boku, that		
	110:02 makes me refresh my memory.		
111:02 - 111:03	<b>Chu, Eric 2021-12-20</b>	00:00:06	Chu.47
	111:02 MR. EVEN: So let -- let me mark, please,		
	111:03 as Exhibit 949, a document that is Bates-stamped		
111:04 - 111:05	<b>Chu, Eric 2021-12-20</b>	00:00:16	Chu.48
	111:04 Google Play 007582256, and that is a June 7th, 2009,		
	111:05 email from Mr. Chu to Mr. Rubin.		
111:23 - 111:25	<b>Chu, Eric 2021-12-20</b>	00:00:09	Chu.49
	111:23 Q. You see that this is an email chain		
	111:24 exchanged between you and Mr. Rubin on June 7th,		
	111:25 2009?		
112:01 - 112:11	<b>Chu, Eric 2021-12-20</b>	00:00:38	Chu.50
	112:01 A. I see that.		
	112:02 Q. And if you go all the way to the bottom,		
	112:03 you see it starts with Mr. Rubin writing that rev		
	112:04 share will be 70 percent to developers, 30 percent		
	112:05 to Google.		
	112:06 Do you see that?		
	112:07 A. You mean enabled 70 percent to developers?		

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DESIGNATION	SOURCE	DURATION	ID
	112:08 Q. Yes.		
	112:09 A. It enabled 70 percent to developers.		
	112:10 Q. And 30 percent to Google; that's what he		
	112:11 wrote, correct?		
112:12 - 112:14	<b>Chu, Eric 2021-12-20</b>	00:00:08	Chu.51
	112:12 A. Where did he write that?		
	112:13 Q. All the way at the bottom at seven --		
	112:14 sorry -- at -2258, the last page.		
112:15 - 113:04	<b>Chu, Eric 2021-12-20</b>	00:01:03	Chu.52
	112:15 A. Oh, down there.		
	112:16 "70/30 worldwide." Okay. Oh, there it		
	112:17 is. 70 percent -- yeah, I see it now, yes.		
	112:18 Q. Okay. Now, this, at the time, was -- this		
	112:19 was four months after we saw the executive meeting		
	112:20 where it was decided on 70/25/5, correct?		
	112:21 A. Yes.		
	112:22 Q. Now, if you go up in the email, you say --		
	112:23 you see that on June 3rd at 12:15 a.m., you write to		
	112:24 Mr. Rubin saying: "Hi Andy, What about DCM? Does		
	112:25 this apply to DCM also? DCM current rev share with		
	113:01 their developers is 91/9. We've been thinking		
	113:02 90/10."		
	113:03 Do you see that?		
	113:04 A. I see that.		
113:05 - 113:09	<b>Chu, Eric 2021-12-20</b>	00:00:19	Chu.53
	113:05 Q. Who is DCM in this context?		
	113:06 A. I actually don't remember. I don't		
	113:07 recall.		
	113:08 Q. Would that be DoCoMo?		
	113:09 A. No. DoCoMo would be DoCoMo.		
114:05 - 114:14	<b>Chu, Eric 2021-12-20</b>	00:00:30	Chu.54
	114:05 Q. Regardless of whether it's DoCoMo, you		
	114:06 understand that you wrote to Andy Rubin here is:		
	114:07 Should we apply 70/30 to DCM because right now they		
	114:08 have a rev share of 91/9, correct?		
	114:09 A. The email says DCM rev share developers		
	114:10 91/9, yes.		
	114:11 Q. And so DCM -- whoever DCM is, DCM's		
	114:12 developers are used to getting 91 percent of every		

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DESIGNATION	SOURCE	DURATION	ID
	114:13 transaction, correct?		
	114:14 A. That's what the email suggests.		
115:16 - 115:22	<b>Chu, Eric 2021-12-20</b>	00:00:18	Chu.55
	115:16 Q. Mr. Rubin responds: "70/30 worldwide,"		
	115:17 correct?		
	115:18 A. That's what the email says.		
	115:19 Q. And you understand that to be Mr. Rubin		
	115:20 telling you: We're not doing 90/10 at DCM; we're		
	115:21 doing 70/30 everywhere, correct?		
	115:22 A. That's what the email says.		
120:18 - 120:21	<b>Chu, Eric 2021-12-20</b>	00:00:14	Chu.56
	120:18 If you can turn to Exhibit 303. Let me		
	120:19 mark that. That is Google Play 5652564.		
	120:20 (Exhibit 303 was marked for		
	120:21 identification.)		
121:02 - 121:16	<b>Chu, Eric 2021-12-20</b>	00:01:09	Chu.57
	121:02 Q. And Exhibit 303 is a document		
	121:03 Bates-stamped Google Play 562564, as I said, and		
	121:04 it's a June 30, 2009, email from you to Mark Womack.		
	121:05 Do you see that?		
	121:06 A. I see that.		
	121:07 Q. And in the bottom email, a Mr. Eugene Koh		
	121:08 is asking: "Can you confirm whether the developer		
	121:09 gets 30% or 95% for priced apps sold in Japan,"		
	121:10 correct?		
	121:11 A. I see that.		
	121:12 Q. And the question, really, that Mr. Koh		
	121:13 poses is whether Google or the developer gets to		
	121:14 keep the 25 percent that would typically go to the		
	121:15 carrier because in Japan, there's no agreement,		
	121:16 correct?		
121:18 - 121:23	<b>Chu, Eric 2021-12-20</b>	00:00:28	Chu.58
	121:18 THE WITNESS: So reading that in		
	121:19 conjunction with what Mark Womack wrote, I think		
	121:20 either looking -- I think he is looking for		
	121:21 clarification that -- on whether developers get more		
	121:22 than 70 percent in cases where a carrier agreement		
	121:23 is not reached yet.		
122:18 - 123:02	<b>Chu, Eric 2021-12-20</b>	00:00:37	Chu.59



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DESIGNATION	SOURCE	DURATION	ID
	122:18 Q. And Mr. Womack writes: "We don't have any 122:19 rev share set up with any Japan specific carriers 122:20 (yet)." And then he writes: "We give the 122:21 developers either 70 or 95%. If it is a carrier we 122:22 have rev share set up" with, "they get 70%. If it 122:23 is a carrier we do not have a rev share set up" 122:24 with, "they get 95%. That might change in the 122:25 future, but that is the current set up." 123:01 Did I read that correctly? 123:02 A. That is what's written there.		Chu.59
125:18 - 126:06	<b>Chu, Eric 2021-12-20</b>  125:18 Q. I understand that, but you understand that 125:19 the conversation that -- where Andy Rubin decided 125:20 that Google will take the -- will pocket the 25 125:21 percent rather than the developer, that was a 125:22 conversation between Mr. Rubin and yourself that we 125:23 just looked at back in -- earlier in June, correct? 125:24 That was -- 125:25 A. That was -- that is as given to me per 126:01 what the document says, yes. 126:02 Q. Okay. And prior to that clarification, 126:03 the prevailing view was that it is -- that Google 126:04 would only collect 5 percent and the developers 126:05 would collect more, just as reflected in this email 126:06 from Mr. Womack, correct?	00:00:48	Chu.60
126:08 - 126:16	<b>Chu, Eric 2021-12-20</b>  126:08 THE WITNESS: I cannot say his statement 126:09 is correct. Prevailing view is a very broad 126:10 statement. I do not know the prevailing view at the 126:11 time. It's clear that there was clarification 126:12 needed at the time within Google. 126:13 BY MR. EVEN: 126:14 Q. And it was Mr. Rubin's decision, as we've 126:15 seen, not to notify developers about that 126:16 clarification, correct?	00:00:26	Chu.61
126:18 - 126:24	<b>Chu, Eric 2021-12-20</b>  126:18 THE WITNESS: That was what's -- you 126:19 reminded me of what was visible to me. I don't know 126:20 who else may be involved in the decision. 126:21 BY MR. EVEN:	00:00:19	Chu.62

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DESIGNATION	SOURCE	DURATION	ID
	126:22 Q. But you do acknowledge in the email to you		
	126:23 Mr. Rubin said let's not announce this, correct?		
	126:24 A. That's what I saw in the email.		
126:25 - 127:12	<b>Chu, Eric 2021-12-20</b>	00:00:47	Chu.63
	126:25 Q. And if you go up to the next email, which		
	127:01 is an email from you to Mr. Womack, this is where		
	127:02 you advise Mr. Womack that Mr. Rubin changed the		
	127:03 policy on this, and revenue share for developers		
	127:04 will be 70 percent worldwide with or without carrier		
	127:05 revenue share, correct?		
	127:06 A. I don't know if it's a change or not. I		
	127:07 think at that time there were a lot of these edge		
	127:08 cases that people were trying to figure out what		
	127:09 makes sense. So I didn't know whether it was a		
	127:10 change or not. At different layers, different folks		
	127:11 may have a different interpretation, and this		
	127:12 clarifies what the position will be.		
128:19 - 128:25	<b>Chu, Eric 2021-12-20</b>	00:00:26	Chu.64
	128:19 sorry -- Exhibit 304, it's going to be, and that is		
	128:20 the document marked Google Play 001677481, and it's		
	128:21 dated December 17, 2009. That's the last email in		
	128:22 the chain. And the subject is: "Change in default		
	128:23 revenue share."		
	128:24 (Exhibit 304 was marked for		
	128:25 identification.)		
129:16 - 129:21	<b>Chu, Eric 2021-12-20</b>	00:00:13	Chu.65
	129:16 Q. The very top of the document, it says:		
	129:17 "From "Justin Mattson," sent on December 17 --		
	129:18 A. Right.		
	129:19 Q. -- 2009, to Mr. Morrill and yourself,		
	129:20 correct?		
	129:21 A. I see that at the top.		
131:01 - 131:06	<b>Chu, Eric 2021-12-20</b>	00:00:26	Chu.66
	131:01 Q. And what Mr. Womack writes is that: "As		
	131:02 requested (re Eric Chu), we have changed the default		
	131:03 developer revenue share from 95% to 70%."		
	131:04 Did I read that correctly?		
	131:05 A. That's consistent with what I'm seeing		
	131:06 here.		

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DESIGNATION	SOURCE	DURATION	ID
131:07 - 131:17	<b>Chu, Eric 2021-12-20</b>	00:00:51	Chu.67
131:07	Q. And you understand that Mr. Womack is		
131:08	reporting on a change that he made to the code		
131:09	applying rev share and implementing the new rule		
131:10	that you told him about 17 days later that		
131:11	developers making transactions where there is no rev		
131:12	share with carriers would not receive 95 percent		
131:13	but, instead, would receive 70 percent, correct?		
131:14	A. He implemented the clarification, yes.		
131:15	Q. He's calling it a change, correct? He's		
131:16	changed the code, correct?		
131:17	A. He changed the code per the clarification.		
132:03 - 132:12	<b>Chu, Eric 2021-12-20</b>	00:00:34	Chu.68
132:03	Q. Okay. And later on, do you see that he		
132:04	says: "The change on our side is that instead of 5%		
132:05	being put into the 'default' Google account, we now		
132:06	have 30% being placed there. No carrier is getting		
132:07	any percentage cut of these types of" transactions.		
132:08	Did I read that correctly?		
132:09	A. These are the -- these -- my		
132:10	interpretation is these are the transactions that		
132:11	have no carrier rev share. So, therefore, no		
132:12	carrier is getting anything.		
132:20 - 132:23	<b>Chu, Eric 2021-12-20</b>	00:00:10	Chu.69
132:20	What he's saying is that on these		
132:21	transactions where there is no rev share, Google is		
132:22	going to pocket the entire 30 percent, correct?		
132:23	A. On these small number of transactions.		
133:18 - 134:18	<b>Chu, Eric 2021-12-20</b>	00:01:13	Chu.70
133:18	Q. Mr. Reto Meier is responding to		
133:19	Mr. Womack, correct?		
133:20	A. Reto Meier is responding to -- that's what		
133:21	it shows here.		
133:22	Q. And who is Mr. Reto Meier?		
133:23	A. Developer advocate.		
133:24	Q. And Mr. Reto Meier says: "I was wondering		
133:25	why we made this change?"		
134:01	Do you see that?		
134:02	A. I see -- I see what's written there.		
134:03	Q. And so Mr. Reto Meier says that he too		

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DESIGNATION	SOURCE	DURATION	ID
	134:04 thinks this is a change in Google's policy, correct?		
	134:05 A. That's his -- that's his perspective.		
	134:06 Q. And he says "I'm worried that I can no		
	134:07 longer say 'Google doesn't take a cut, we just cover		
	134:08 our transactions costs.' Why not give developers		
	134:09 more and pressure carriers to reduce the cut?"		
	134:10 Do you see that?		
	134:11 A. I see what's written there.		
	134:12 Q. And Mr. Mattson then responds and says:		
	134:13 "I second Reto's concern."		
	134:14 Do you see that?		
	134:15 A. I see what's written there.		
	134:16 Q. And Mr. Mattson is also -- was also an		
	134:17 advocate at the time, correct?		
	134:18 A. That is correct.		
134:19 - 134:20	<b>Chu, Eric 2021-12-20</b>	00:00:05	Chu.71
	134:19 Q. And so his view also was that this is a		
	134:20 change in the policy, right?		
134:22 - 134:24	<b>Chu, Eric 2021-12-20</b>	00:00:05	Chu.72
	134:22 THE WITNESS: As I mentioned earlier, this		
	134:23 was a clarification of what we were going to do.		
	134:24 There was confusion.		
135:15 - 135:15	<b>Chu, Eric 2021-12-20</b>	00:00:03	Chu.73
	135:15 Q. And then a Mr. Jean-Baptiste Queru is		
135:16 - 135:18	<b>Chu, Eric 2021-12-20</b>	00:00:11	Chu.74
	135:16 responding further up.		
	135:17 Do you see that?		
	135:18 A. I -- I see that.		
135:23 - 136:01	<b>Chu, Eric 2021-12-20</b>	00:00:12	Chu.75
	135:23 Mr. Queru says: "As an outside developer, I'd		
	135:24 mostly think 'evil.'"		
	135:25 Did I read that correctly?		
	136:01 A. I -- I see that's what's written there.		
136:09 - 136:11	<b>Chu, Eric 2021-12-20</b>	00:00:10	Chu.76
	136:09 Q. Mr. Queru has a Google.com email. He is		
	136:10 not an outside developer.		
	136:11 What is he? Do you know what was		
136:12 - 136:14	<b>Chu, Eric 2021-12-20</b>	00:00:08	Chu.77

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DESIGNATION	SOURCE	DURATION	ID
	136:12 Mr. Queru's role at the time?		Chu.77
	136:13 A. He was one of the engineers on the Android		
	136:14 team.		
136:25 - 137:07	<b>Chu, Eric 2021-12-20</b>	00:00:27	Chu.78
	136:25 Q. You know that at the time Google's motto		
	137:01 was "Don't be evil," correct?		
	137:02 A. Something like that.		
	137:03 Q. And you understand -- you read this. You		
	137:04 agree that Mr. Queru was suggesting that Google is		
	137:05 going against its own motto by doing this, or that's		
	137:06 at least how it would be perceived?		
	137:07 A. I do not want to speculate.		
137:08 - 137:12	<b>Chu, Eric 2021-12-20</b>	00:00:16	Chu.79
	137:08 Q. You see that Mr. Queru says: "I hope that		
	137:09 Google is ready to defend the new position in public		
	137:10 as things could get ugly once people find out."		
	137:11 Do you see that?		
	137:12 A. I see what's written there.		
137:17 - 137:24	<b>Chu, Eric 2021-12-20</b>	00:00:20	Chu.80
	137:17 Q. Mr. Mattson writes another email,		
	137:18 and then you write and you're saying: "We're		
	137:19 actually losing money for most if not all		
	137:20 transactions... What's the issue with us taking the		
	137:21 small number of 'open market' transactions to		
	137:22 minimize our overall lost?"		
	137:23 Do you see that?		
	137:24 A. I see what's written there.		
138:05 - 138:12	<b>Chu, Eric 2021-12-20</b>	00:00:28	Chu.81
	138:05 Q. And so your point was that Google is going		
	138:06 to make some money on these open market transactions		
	138:07 and that would minimize the overall loss, but Google		
	138:08 would still not be making money on -- overall on		
	138:09 Android, correct?		
	138:10 A. That's -- my point is, yes, these are a		
	138:11 small number of transactions. Overall, Google is		
	138:12 still losing money on Android Market.		
138:13 - 139:05	<b>Chu, Eric 2021-12-20</b>	00:00:50	Chu.82
	138:13 Q. And Mr. Mattson responds to you and says:		
	138:14 "If we'd like to take the actual cost of the		

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DESIGNATION	SOURCE	DURATION	ID
	138:15 transaction, fine, is the transaction cost 30%?"		
	138:16 And then he says: "If we'd like to break		
	138:17 with what we'd previously said, 'Google makes no		
	138:18 money on Market transactions, in fact, we lose		
	138:19 money,' fine."		
	138:20 "If we'd like to start saying, 'Google		
	138:21 makes no money on Market transactions where we have		
	138:22 a revenue share agreement in place with the carrier,		
	138:23 and typically loses money, but we make money on		
	138:24 transactions where there is no revenue share		
	138:25 agreement,' fine."		
	139:01 "Either of these will have fall out, I		
	139:02 would wager considerable, but the worse fallout is		
	139:03 when we appear to be disingenuous through omission."		
	139:04 Did I read that correctly?		
	139:05 A. You've read what's written there.		
139:18 - 139:20	<b>Chu, Eric 2021-12-20</b>	00:00:09	Chu.83
	139:18 Q. You understood that Mr. Mattson is raising		
	139:19 a concern that Google must announce this change in		
	139:20 policy, correct?		
139:21 - 140:01	<b>Chu, Eric 2021-12-20</b>	00:00:22	Chu.84
	139:21 A. As I said before, I don't recall the		
	139:22 details of all this, and I don't even recall what we		
	139:23 -- what Google ended up doing or not doing. I do		
	139:24 recall -- this refreshed my memory the advocates		
	139:25 felt there was a need to clarify what's happened		
	140:01 with Android Market devices.		
140:08 - 140:10	<b>Chu, Eric 2021-12-20</b>	00:00:07	Chu.85
	140:08 Q. You see that that last email in the chain		
	140:09 is five months later?		
	140:10 A. I see that email, yes.		
140:21 - 141:03	<b>Chu, Eric 2021-12-20</b>	00:00:21	Chu.86
	140:21 Q. Sir, this email says, and I'm reading in		
	140:22 the -- after the three bullets in the middle of that		
	140:23 section, it says: "We have previously said that we		
	140:24 don't make money from Market, we are now lying. Let		
	140:25 me repeat that, we are now lying to our developers		
	141:01 by not making this change public (for 6 months		
	141:02 now!)."		

## Chu

DESIGNATION	SOURCE	DURATION	ID
	141:03 Did I read that portion correctly?		
141:04 - 141:13	<b>Chu, Eric 2021-12-20</b>	00:00:26	Chu.87
	141:04 A. I see what's written there.		
	141:05 Q. And I read it correctly; is that fair?		
	141:06 Mr. Mattson is saying that Google is now		
	141:07 lying to developers, correct?		
	141:08 A. You have read correctly that's how -- what		
	141:09 he wrote in this email, yes.		
	141:10 Q. And you understand that Google, in fact,		
	141:11 did not publicly disclose this change in policy		
	141:12 during the six months up to December 17, 2009,		
	141:13 correct?		
141:15 - 141:20	<b>Chu, Eric 2021-12-20</b>	00:00:12	Chu.88
	141:15 THE WITNESS: It was -- it was suggested		
	141:16 based on this email that ...		
	141:17 BY MR. EVEN:		
	141:18 Q. Just based on this email, it would appear		
	141:19 that Google, in fact, did not disclose this change,		
	141:20 correct?		
141:22 - 142:11	<b>Chu, Eric 2021-12-20</b>	00:00:39	Chu.89
	141:22 THE WITNESS: To the developer impact,		
	141:23 that they would know exactly what they're getting		
	141:24 and not getting. In terms of announcing to the		
	141:25 public, it appears not the case, but those		
	142:01 developers who are selling apps on Android Market,		
	142:02 either Android Market device or device distributed		
	142:03 by carriers is public -- is clear information of		
	142:04 what they're getting.		
	142:05 BY MR. EVEN:		
	142:06 Q. I understand that they under- -- that they		
	142:07 know that they're getting 70 percent. But they		
	142:08 don't know whether the 30 percent goes to Google or		
	142:09 to the carrier, correct?		
	142:10 A. They have no visibility to that; that is		
	142:11 correct.		
142:19 - 142:25	<b>Chu, Eric 2021-12-20</b>	00:00:37	Chu.90
	142:19 Q. Going back to your response to Mr. Mattson		
	142:20 and Womack and Meier and everyone else on this		
	142:21 chain, in your response you never said that this was		

## Chu

DESIGNATION	SOURCE	DURATION	ID
	142:22 not a change in policy but, rather, only a 142:23 clarification, correct? 142:24 A. If I recall correctly, these are edge 142:25 cases, a small number of devices.		
144:17 - 144:21	<b>Chu, Eric 2021-12-20</b>  144:17 And let me mark Exhibit 305, which is a 144:18 blog post titled "Android Market: Now available for 144:19 users" from October 22nd, 2008. 144:20 (Exhibit 305 was marked for 144:21 identification.)	00:00:14	Chu.91
145:08 - 145:14	<b>Chu, Eric 2021-12-20</b>  145:08 Do you recognize this to be a -- and by 145:09 "this," I mean Exhibit 305 -- to be a blog post that 145:10 was, in fact, published by you and Google back in 145:11 October 22nd, 2008? 145:12 A. I have no recollection of it, but I trust, 145:13 if you found it in the developer blog and it got 145:14 published, that's fine.	00:00:30	Chu.92
146:10 - 146:22	<b>Chu, Eric 2021-12-20</b>  146:10 Q. Okay. If you turn to the fourth 146:11 paragraph, it says that "Starting in early Q1, 146:12 developers will also be able to distribute paid apps 146:13 in addition to free apps." 146:14 Do you see where I'm reading? 146:15 A. I see where you're reading. 146:16 Q. And do you see that the next sentence 146:17 says: "Developers will get 70% of the revenue from 146:18 each purchase; the remaining amount goes to carriers 146:19 and billing settlement fees - Google does not take a 146:20 percentage"? 146:21 Do you see that? 146:22 A. I see that's what's written there.	00:00:30	Chu.93
164:23 - 165:02	<b>Chu, Eric 2021-12-20</b>  164:23 MR. EVEN: Okay. If you go to 164:24 Exhibit 308, and that's a document Bates-stamped 164:25 GOOG-PLAY-0005650784. 165:01 (Exhibit 308 was marked for 165:02 identification.)	00:00:12	Chu.94
166:06 - 166:15	<b>Chu, Eric 2021-12-20</b>	00:00:40	Chu.95



## Chu

DESIGNATION	SOURCE	DURATION	ID
	166:06 Q. In looking at Mr. Rubin's email, if I go 166:07 all the way to the bottom couple of bullet points, 166:08 first in the penultimate bullet point, the last 166:09 sentence, Mr. Rubin says: "Alternative payment 166:10 options are a REQUIREMENT." 166:11 Do you see that? 166:12 A. I see that. 166:13 Q. And he -- he -- the "REQUIREMENT" is in 166:14 all cap, right? 166:15 A. I see that.		Chu.95
166:20 - 167:06	<b>Chu, Eric 2021-12-20</b> 166:20 Q. And Mr. Rubin then says, in the next 166:21 bullet point: "It is the android teams strong 166:22 feeling that checkout needs to stand on it's [sic] 166:23 own as a competitive product and we will not risk 166:24 the viability of our developer ecosystem (which 166:25 directly impacts the success and adoption of 167:01 Android) by restricting 3rd party payment systems." 167:02 Do you see that? 167:03 A. I see that. 167:04 Q. And that was Mr. Rubin's stated position 167:05 as of April of 2009, correct? 167:06 A. That is what's shown here.	00:00:36	Chu.96
167:07 - 167:22	<b>Chu, Eric 2021-12-20</b> 167:07 Q. But notwithstanding Mr. Rubin's strong 167:08 statement on alternative payment options, by the 167:09 time you left Android Market and Android generally 167:10 three or four years later, no third-party payment 167:11 system was incorporated or allowed on Android 167:12 Market, correct? 167:13 A. I think it's important to be precise. 167:14 Payment options is about forms of payment, not 167:15 necessarily payment systems. So I -- 167:16 Q. But -- 167:17 A. -- disagree with the statement. Andy 167:18 Rubin and also I were focused on making sure that 167:19 different payment options. So when a user comes in 167:20 and wants to pay for something, they can pay with 167:21 different payment options. That does not 167:22 necessarily mean different payment systems.	00:01:12	Chu.97

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DESIGNATION	SOURCE	DURATION	ID
168:17 - 169:01	<b>Chu, Eric 2021-12-20</b> 168:17 By the time you left, there was no 168:18 alternative third-party payment system that was 168:19 allowed on Android Market, correct? 168:20 A. That statement is correct. 168:21 Q. And, in fact, both before and after the 168:22 date of this email, the dis- -- the Developer 168:23 Distribution Agreement did restrict the use of 168:24 third-party payment systems on Android Market, 168:25 correct? 169:01 A. That's what I recall.	00:00:33	Chu.98
181:20 - 181:25	<b>Chu, Eric 2021-12-20</b> 181:20 Q. Do you recall that you tried to convince 181:21 Samsung to operate what was called as -- or referred 181:22 to as a hybrid model where the Galaxy Store would 181:23 simply link to the Android Market? 181:24 A. I vaguely remember potential like that, 181:25 but I don't recall the details.	00:00:30	Chu.99
182:12 - 182:15	<b>Chu, Eric 2021-12-20</b> 182:12 MR. EVEN: Can you take a look at 182:13 Exhibit 312. That's an email from Mr. Lagerling to 182:14 you, dated August 23rd, 2011, and it's Bates-stamped 182:15 GOOG-PLAY-001083890.	00:00:20	Chu.100
183:02 - 183:08	<b>Chu, Eric 2021-12-20</b> 183:02 Q. And if you turn to your 9:33 a.m. email at 183:03 the top of the second page, you see that you write: 183:04 "Hi guys, Have been having discussions with Samsung 183:05 to get them to stop distributing the apps through 183:06 Samsung App store." 183:07 Do you see that? 183:08 A. I see that.	00:00:17	Chu.101
183:15 - 183:16	<b>Chu, Eric 2021-12-20</b> 183:15 Q. Do you recall that it was a goal for 183:16 yourself to make sure that Google -- that Samsung	00:00:09	Chu.102
183:17 - 183:20	<b>Chu, Eric 2021-12-20</b> 183:17 stops competing with Android Market? 183:18 A. You will see, based on what's written 183:19 here, I was trying to get them to -- to do just -- 183:20 to use Android Market.	00:01:08	Chu.103

## Chu

DESIGNATION	SOURCE	DURATION	ID
183:21 - 184:03	<b>Chu, Eric 2021-12-20</b> 183:21 Q. Samsung app store was a competitor of the 183:22 Android Market, correct? 183:23 A. A Samsung app store on Android device is 183:24 an alternative to Android Market on an Android 183:25 device, yes. 184:01 Q. And as an alternative, it's a competitor 184:02 of Android Market, correct? 184:03 A. Yes.	00:00:25	Chu.104
200:19 - 200:21	<b>Chu, Eric 2021-12-20</b> 200:19 Q. We discussed earlier today that you worked 200:20 at YouTube since September 2018, correct? 200:21 A. That sounds about right.	00:00:11	Chu.105
205:23 - 206:09	<b>Chu, Eric 2021-12-20</b> 205:23 Q. Okay. On the engineering side, were you 205:24 in charge of implementing YouTube's roadmap for the 205:25 billing infrastructure? 206:01 A. Yes. 206:02 Q. And were you in charge in implementing any 206:03 innovations in the billing infrastructure? 206:04 A. Yes. 206:05 Q. And were you in charge of coming up with 206:06 innovations for billing infrastructure? 206:07 A. In charge. I was responsible to work with 206:08 different product teams to remove friction to make 206:09 it easier for them to sell their products.	00:00:41	Chu.106
206:14 - 206:17	<b>Chu, Eric 2021-12-20</b> 206:14 Q. Now, the reason that you were in charge of 206:15 YouTube's engineering of its billing solution is 206:16 because YouTube was not using Google Play Billing as 206:17 its billing solution, correct?	00:00:23	Chu.107
206:19 - 206:19	<b>Chu, Eric 2021-12-20</b> 206:19 THE WITNESS: That is correct.	00:00:01	Chu.108
218:22 - 218:23	<b>Chu, Eric 2021-12-20</b> 218:22 (Exhibit 316 was marked for 218:23 identification.)	00:00:00	Chu.109
219:01 - 219:05	<b>Chu, Eric 2021-12-20</b> 219:01 Q. And that is a document that is a chat	00:00:22	Chu.110

## Chu

DESIGNATION	SOURCE	DURATION	ID
	219:02 between you and Mr. Eunice Kim. And it is		
	219:03 Bates-stamped GOOG-PLAY-003600814.		
	219:04 Do you have the document now?		
	219:05 A. I have it up now.		
219:16 - 219:25	<b>Chu, Eric 2021-12-20</b>	00:00:29	Chu.111
	219:16 Q. And here you describe that meeting, and		
	219:17 then, in the middle of the last paragraph, you		
	219:18 say -- beginning with the word "Integration" you		
	219:19 say, quote: "Integration even at the minimum level		
	219:20 of UX mirroring with backend data integration will		
	219:21 significantly limit YouTube's ability to innovate +		
	219:22 significant" engineering "efforts at the expenses of		
	219:23 moving our paid business forward."		
	219:24 Do you see that?		
	219:25 A. Yeah.		
220:03 - 220:07	<b>Chu, Eric 2021-12-20</b>	00:00:19	Chu.112
	220:03 What you're saying is that if YouTube has		
	220:04 to adopt Google Play Billing, that will harm		
	220:05 YouTube's and your organization's ability to		
	220:06 innovate on billing and would require significant		
	220:07 engineering expense for the migration, correct?		
220:09 - 220:15	<b>Chu, Eric 2021-12-20</b>	00:00:22	Chu.113
	220:09 THE WITNESS: What I'm trying to		
	220:10 communicate was that if my team had to spend time to		
	220:11 migrate rather than innovate, it has a huge updated		
	220:12 cost. At the same time, since Play Billing didn't		
	220:13 have all the features we need, we're potentially at		
	220:14 risk of losing features when we went to Play		
	220:15 Billing.		
220:16 - 220:18	<b>Chu, Eric 2021-12-20</b>	00:00:11	Chu.114
	220:16 In the end, the decision was YouTube needs		
	220:17 to be treated like any other developers, and so the		
	220:18 better half -- most of --		
220:21 - 220:22	<b>Chu, Eric 2021-12-20</b>	00:00:05	Chu.115
	220:21 A. -- Q1, my team was spent working on moving		
	220:22 YouTube to Play Billing.		
222:18 - 222:20	<b>Chu, Eric 2021-12-20</b>	00:00:07	Chu.116
	222:18 Q. Okay. Goog- -- YouTube would be limited		
	222:19 in its ability to innovate once you integrate with		

## Chu

DESIGNATION	SOURCE	DURATION	ID
	222:20 Google Play; is that what you said?		
222:23 - 222:23	<b>Chu, Eric 2021-12-20</b>	00:00:02	Chu.117
	222:23 THE WITNESS: That's what's written here.		
259:12 - 259:25	<b>Chu, Eric 2022-01-14</b>	00:00:39	Chu.118
	259:12 Q. From an engineering		
	259:13 perspective why did you want to		
	259:14 remove friction on the YouTube		
	259:15 commerce platform?		
	259:16 A. The work that we did was in		
	259:17 the form of, for example, reduce the		
	259:18 number of clicks. From the moment		
	259:19 the user wants to buy something what		
	259:20 can we do to reduce number of clicks		
	259:21 and make it easier for them to		
	259:22 purchase something. Reason for that		
	259:23 is obvious that the more friction		
	259:24 there is the more likely we lose		
	259:25 users along the buy flow.		
269:16 - 269:24	<b>Chu, Eric 2022-01-14</b>	00:00:26	Chu.119
	269:16 Q. You'll see the subject of		
	269:17 Exhibit 319 is draft e-mail to prep		
	269:18 John. Do you see that?		
	269:19 A. Yes.		
	269:20 Q. This is an e-mail in the		
	269:21 document Exhibit 319 is an e-mail		
	269:22 you sent to Ms. Gupta, Mr. Aldrich		
	269:23 and Eunice Kim, correct?		
	269:24 A. Looks like it, yes.		
276:22 - 277:12	<b>Chu, Eric 2022-01-14</b>	00:00:44	Chu.120
	276:22 Q. There's a reference to		
	276:23 3P in Exhibit 319, your e-mail,		
	276:24 Mr. Chu. What does 3P refer to?		
	276:25 A. Third-party developers.		
	277:01		
	277:02 Q. And what was the relevance		
	277:03 of whether or not something was		
	277:04 support for 3P, what did that phrase		
	277:05 mean?		
	277:06 A. Play team was very explicit		

## Chu

DESIGNATION	SOURCE	DURATION	ID
	277:07 with YouTube team that the features 277:08 that they exposed to YouTube have to 277:09 be features available to other 277:10 third-party developers. And so we 277:11 used that as an anchor point to have 277:12 that conversation.		
282:13 - 282:19	<b>Chu, Eric 2022-01-14</b>	00:00:18	Chu.121
	282:13 Q. And if you are trying to -- 282:14 and it was going to take a lot of 282:15 work for a Play system that was a 282:16 generic system that worked for a lot 282:17 of third parties to meet the needs 282:18 of YouTube which had specific 282:19 customizable needs, correct?		
282:21 - 283:04	<b>Chu, Eric 2022-01-14</b>	00:00:19	Chu.122
	282:21 A. That was my general 282:22 assessment back in July of 2020 when 282:23 we were at the beginning of the 282:24 conversation with the Play team. 282:25 Q. And your assessment was 283:01 283:02 that as a result of this migration 283:03 there was going to be a slowdown in 283:04 YouTube's business, correct?		
283:06 - 283:11	<b>Chu, Eric 2022-01-14</b>	00:00:16	Chu.123
	283:06 A. My assessment was that any 283:07 effort that YouTube has to spend 283:08 doing migration is effort not spent 283:09 on building new features. So 283:10 therefore it will have a cost to the 283:11 business, yes.		
283:22 - 284:06	<b>Chu, Eric 2022-01-14</b>	00:00:27	Chu.124
	283:22 Q. As of July 2020 there were 283:23 features that YouTube thought were 283:24 important to its commerce platform 283:25 that were not available from the 284:01 284:02 Google Play billing platform, 284:03 correct?		

## Chu

DESIGNATION	SOURCE	DURATION	ID
	284:04 A. As of July at the beginning		
	284:05 of the conversation, yes. July 2020		
	284:06 to be precise.		
284:11 - 284:13	<b>Chu, Eric 2022-01-14</b>	00:00:00	Chu.125
	284:11 (Exhibit 320, E-mail from Eric		
	284:12 Chu to Ms. Gupta, et al, marked for		
	284:13 identification, as of this date.)		
284:25 - 285:07	<b>Chu, Eric 2022-01-14</b>	00:00:16	Chu.126
	284:25 Q. Thank you. Mr. Chu,		
	285:01		
	285:02 Exhibit 320 is an e-mail from you to		
	285:03 Ms. Gupta, Eunice Kim and Will		
	285:04 Aldrich, who we identified when		
	285:05 discussing the previous e-mail,		
	285:06 correct?		
	285:07 A. Correct.		
287:13 - 288:09	<b>Chu, Eric 2022-01-14</b>	00:00:51	Chu.127
	287:13 Q. Got it. Okay. So you		
	287:14 responded to Ms. Gupta's e-mail with		
	287:15 a few thoughts and comments in		
	287:16 Exhibit 320, correct?		
	287:17 A. Yeah.		
	287:18 Q. And your first thought was		
	287:19 with respect -- was encapsulated in		
	287:20 bullet one. Your comment, "Given		
	287:21 the expectation that Netflix will be		
	287:22 consumption only and Spotify will be		
	287:23 in the partner program, we are		
	287:24 explicitly saying that while we are		
	287:25 obliged to be like any Play		
	288:01		
	288:02 developers, YouTube will not have		
	288:03 the same business/technical		
	288:04 flexibility and much higher		
	288:05 innovations frictions compared to		
	288:06 two of our key competitors for		
	288:07 80 percent of our paid revenue."		
	288:08 Do you see that?		
	288:09 A. I see that.		

**Chu**

DESIGNATION	SOURCE	DURATION	ID
302:21 - 302:23	<b>Chu, Eric 2022-01-14</b> 302:21 (Exhibit 322, E-mail chain, 302:22 marked for identification, as of 302:23 this date.)	00:00:01	Chu.128
308:22 - 309:19	<b>Chu, Eric 2022-01-14</b> 308:22 Q. And the third bullet in 308:23 your key questions I have in this 308:24 exercise in Exhibit 322, this e-mail 308:25 exchange you identified "How do we 309:01 309:02 minimize revenue neutral or negative 309:03 PM/ENG investment?" 309:04 Do you see that? 309:05 A. I see what's written there. 309:06 Q. And Andrew's response is, 309:07 "Sorry if this comes across as 309:08 blunt." 309:09 Do you see that? 309:10 A. I see what he wrote there. 309:11 Q. And then he explains, 309:12 "Bluntly, the Play billing policy 309:13 has a huge positive value to Google. 309:14 Roughly 1/3 of alphabet top line 309:15 revenue is from Play and its 309:16 attached to and informed by this 309:17 policy. That has tangible value." 309:18 Do you see that? 309:19 A. I see what he wrote there.	00:00:55	Chu.129
413:11 - 413:21	<b>Chu, Eric 2022-01-14</b> 413:11 (Exhibit 332, Chat between 413:12 Eric Chu and Prachi Gupta, Bates 413:13 GOOG-PLAY 003600774, marked for 413:14 identification, as of this date.) 413:15 Q. My first question, Mr. Chu, 413:16 is do you recognize this as a chat 413:17 that you had with Mr. Gupta back in 413:18 May of 2020? 413:19 A. I'm reading through it 413:20 right now to try to refresh my 413:21 memory.	00:00:16	Chu.130



## Chu

DESIGNATION	SOURCE	DURATION	ID
413:22 - 413:24	<b>Chu, Eric 2022-01-14</b>	00:00:09	Chu.131
413:22	Yes, I recollect this type		
413:23	of chat. No specific detail when		
413:24	and all that, but yes.		
414:12 - 414:16	<b>Chu, Eric 2022-01-14</b>	00:00:17	Chu.132
414:12	Q. If you can go down to the		
414:13	message that you sent to Ms. Gupta		
414:14	at 11:57 and 19 seconds and if you		
414:15	can read what you told Ms. Gupta at		
414:16	that time.		
414:19 - 415:08	<b>Chu, Eric 2022-01-14</b>	00:00:38	Chu.133
414:19	A. So bottom line is that "We		
414:20	and #39; re protecting already at		
414:21	risk Play revenue at a cost of		
414:22	YouTube opportunity cost and		
414:23	growth..."		
414:24	Q. And you understand that		
414:25	this is the bottom line pertaining		
415:01			
415:02	to the decision to move YouTube to		
415:03	Google Play billing, correct?		
415:04	A. Yes, it's in reference to		
415:05	that.		
415:06	Q. And what did you mean about		
415:07	Play revenue being "already at		
415:08	risk"?		
415:15 - 417:03	<b>Chu, Eric 2022-01-14</b>	00:01:55	Chu.134
415:15	A. My understanding was Play		
415:16	updated the policy in September 2020		
415:17	because they felt there was a		
415:18	loophole that enabled developers		
415:19	such as YouTube and others who were		
415:20	similar to use Play to distribute		
415:21	Play -- distribute applications		
415:22	through Play but not monetize		
415:23	through Play.		
415:24	And I felt at the time that		
415:25	folks like Netflix or Spotify		
416:01			
416:02	ultimately would just go consumption		

**Chu**

DESIGNATION	SOURCE	DURATION	ID
	416:03 only anyway, so that revenue is at		
	416:04 risk anyway. Where for YouTube the		
	416:05 opportunity costs for YouTube to		
	416:06 move to Play would mean that other,		
	416:07 instead of rolling out new features,		
	416:08 whatnot, YouTube is now spending		
	416:09 time migrating to Play.		
	416:10 Q. And did you feel that		
	416:11 YouTube would be placed at a		
	416:12 competitive disadvantage versus its		
	416:13 competitors such as Netflix and		
	416:14 Spotify because it had to use Google		
	416:15 Play billing?		
	416:16 A. I felt that assuming that		
	416:17 Spotify and Netflix go consumption		
	416:18 only, they don't have to do any		
	416:19 migration. YouTube has to do		
	416:20 migration. Migration itself put us		
	416:21 at -- put YouTube at a disadvantage		
	416:22 because it's time spent doing		
	416:23 migration versus new features. For		
	416:24 developers whose apps are already on		
	416:25 Play and did not migrate, that's a		
	417:01		
	417:02 different -- that -- that's not an		
	417:03 issue.		
427:05 - 427:10	<b>Chu, Eric 2022-01-14</b>	00:00:15	Chu.135
	427:05 Q. YouTube prior to September		
	427:06 of 2020 chose to use its own payment		
	427:07 platform rather than Google Play		
	427:08 billing, correct?		
	427:09 A. That is how YouTube		
	427:10 operated, yes.		

Designation	00:51:40
<b>TOTAL RUN TIME</b>	<b>00:51:40</b>

## **Deposition Designations of Donn Morrill**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
9:23 - 9:25	<b>Morrill, Donn 2022-08-11</b> 9:23 D O N N M O R R I L L, having been 9:24 first duly sworn according to law by 9:25 the Officer, testifies as follows:	00:00:09	Morrill.1
13:22 - 13:25	<b>Morrill, Donn 2022-08-11</b> 13:22 Q. Can you please state your name 13:23 for the jury? 13:24 A. Sure. Donn Morrill, Donn with 13:25 two Ns, D-o-n-n, Morrill, M-o-r-r-i-l-l.	00:00:08	Morrill.2
14:05 - 14:09	<b>Morrill, Donn 2022-08-11</b> 14:05 Q. And where do you work? 14:06 A. I work for Amazon. 14:07 Q. How long have you worked at 14:08 Amazon? 14:09 A. A little more than ten years.	00:00:10	Morrill.3
17:15 - 18:05	<b>Morrill, Donn 2022-08-11</b> 17:15 Q. Okay. And after that what was 17:16 your next job at Amazon? 17:17 A. My next job is the role I'm 17:18 currently in, where I am the director of 17:19 what we call developer relations for a 17:20 business unit of Amazon called EDS, 17:21 Entertainment Devices and Services. 17:22 My team consists also of 17:23 solutions architects, about half my team. 17:24 Then I also have slightly broader 17:25 responsibilities than I had in my 18:01 18:02 previous roles, it includes developer 18:03 marketing, it includes other technical 18:04 and program resources to assist app 18:05 developers and content creators.	00:00:43	Morrill.4
34:23 - 34:25	<b>Morrill, Donn 2022-08-11</b> 34:23 Q. Do you know whether Amazon 34:24 made tens of billions of dollars in net 34:25 income in 2021?	00:00:06	Morrill.5
35:04 - 35:14	<b>Morrill, Donn 2022-08-11</b> 35:04 A. Tens of billions of dollars? I 35:05 think that's roughly right, yeah, to the	00:00:24	Morrill.6

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	35:06 best of my recollection.		
	35:07 Q. Do you know Amazon's		
	35:08 approximate total market capitalization?		
	35:09 A. Market cap, yeah. Obviously		
	35:10 it fluctuates with the market but I		
	35:11 believe we're over a trillion dollars in		
	35:12 market capitalization.		
	35:13 Q. Was that trillion with a T?		
	35:14 A. Trillion with a T, sir, yes.		
36:02 - 37:09	<b>Morrill, Donn 2022-08-11</b>	00:01:31	Morrill.7
	36:02 Q. Thank you. You testified that		
	36:03 Amazon makes apps for mobile devices.		
	36:04 What are some of the apps that		
	36:05 Amazon makes for mobile devices?		
	36:06 A. And by mobile devices you mean		
	36:07 phones primarily; is that fair to say?		
	36:08 Q. Phones and tablets.		
	36:09 A. Phones and tablets, okay.		
	36:10 Yeah, there is a number of apps that		
	36:11 Amazon develops and distributes. We make		
	36:12 our retail capability available through		
	36:13 mobile devices. So Amazon initially		
	36:14 transacted mainly through websites and		
	36:15 browsers, but we now have a mobile app		
	36:16 that you can conduct retail shopping on.		
	36:17 We had spoken about Amazon's music		
	36:18 service. Amazon Music is another example		
	36:19 of an app that is available on mobile		
	36:20 devices, as is our video service. And		
	36:21 then we produce a number of what I would		
	36:22 call companion applications or companion		
	36:23 experiences that, as it sounds, are meant		
	36:24 to enhance the experience of some of our		
	36:25 devices. And a good example of that is --		
	37:01		
	37:02 hopefully none of you have an Echo in the		
	37:03 room, whenever I say Alexa they go off,		
	37:04 but the Alexa app is a good example of a		
	37:05 companion app that allows you to		
	37:06 configure your Echo devices, you can see		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	37:07 the shopping list you created in your		
	37:08 Alexa app. So those are what I would		
	37:09 call companion app experiences.		
38:10 - 38:19	<b>Morrill, Donn 2022-08-11</b>	00:00:22	Morrill.8
	38:10 Is		
	38:11 the Amazon Appstore an app that Amazon		
	38:12 makes?		
	38:13 A. In part, yeah. The app store		
	38:14 is indeed an app, yes.		
	38:15 Q. And what is the function of		
	38:16 the Amazon Appstore?		
	38:17 A. The purpose of the Amazon		
	38:18 Appstore app is to promote and vend other		
	38:19 apps, essentially.		
50:11 - 50:21	<b>Morrill, Donn 2022-08-11</b>	00:00:29	Morrill.9
	50:11 Q. Why did Amazon believe in 2013		
	50:12 that it needed to distribute its		
	50:13 applications on Android OS, in		
	50:14 particular?		
	50:15 A. Again, as we just discussed a		
	50:16 few minutes ago, Android was one of the		
	50:17 more popular of the mobile operating		
	50:18 systems and so there were many of those		
	50:19 devices in customers' hands, so Amazon		
	50:20 wanted to make sure that we were able to		
	50:21 reach those customers.		
51:25 - 52:06	<b>Morrill, Donn 2022-08-11</b>	00:00:21	Morrill.10
	51:25 Q. What is the Google Play Store?		
	52:01		
	52:02 A. Similar to what we discussed		
	52:03 earlier, with the Amazon Appstore, the		
	52:04 Google Play Store is an app and some		
	52:05 associated services that vend mobile apps		
	52:06 and promote them to customers.		
55:15 - 55:25	<b>Morrill, Donn 2022-08-11</b>	00:00:36	Morrill.11
	55:15 Q. And why did Amazon think it		
	55:16 was important in 2013 to distribute its		
	55:17 apps through the Google Play Store?		
	55:18 A. Well, very similar to the --		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	55:19 my earlier response, you know, many of 55:20 the devices we've since determined that 55:21 the majority of devices in question were 55:22 running Android, and so many of those 55:23 devices were running Google Play as well 55:24 and so Google Play was the distribution 55:25 channel for the apps.		
56:17 - 56:24	<b>Morrill, Donn 2022-08-11</b>	00:00:27	Morrill.12
	56:17 Q. Approximately when did Amazon 56:18 launch the Amazon Appstore on Android? 56:19 A. I believe we first launched 56:20 the Appstore, if my recollection is 56:21 right, in 2011. 56:22 Q. And does the Amazon Appstore 56:23 sell and distribute mobile applications? 56:24 A. That is correct.		
56:25 - 57:08	<b>Morrill, Donn 2022-08-11</b>	00:00:21	Morrill.13
	56:25 Q. And does the Amazon Appstore 57:01 57:02 sell and distribute in-app items? 57:03 A. In-app items? Well, in concert 57:04 with the developer. We provide some 57:05 services that allow developers to -- 57:06 developers are the one vending the in-app 57:07 items. Amazon provides services that 57:08 facilitate that.		
64:05 - 64:19	<b>Morrill, Donn 2022-08-11</b>	00:00:43	Morrill.14
	64:05 Q. Let's talk about how the 64:06 Amazon Appstore makes money. 64:07 For an app that a user has to 64:08 pay to download, does the Amazon Appstore 64:09 charge a commission on the sale of that 64:10 app? 64:11 A. Charge a commission to whom? 64:12 Q. The developer. 64:13 A. Yeah. We use the term royalty 64:14 paid to the developer, but in essence 64:15 there is a revenue breakdown there. 64:16 Q. Okay. So in the absence of any 64:17 special agreement with the apps		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	64:18 developer, what is the royalty breakdown		
	64:19 on paid app downloads?		
64:24 - 65:02	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.15
	64:24 The majority of the apps are what we		
	64:25 would consider a 70/30, with 70% royalty		
	65:01		
	65:02 being paid to the developer.		
65:23 - 66:07	<b>Morrill, Donn 2022-08-11</b>	00:00:20	Morrill.16
	65:23 Does the Amazon Appstore also		
	65:24 receive any portion of in-app purchases		
	65:25 on apps that were downloaded from the		
	66:01		
	66:02 Amazon Appstore?		
	66:03 A. Yes, we do.		
	66:04 Q. And in the absence of any		
	66:05 special agreement with the apps		
	66:06 developers, what is the royalty breakdown		
	66:07 on in-app purchases?		
66:09 - 66:10	<b>Morrill, Donn 2022-08-11</b>	00:00:06	Morrill.17
	66:09 A. It's the same as per the paid		
	66:10 download, as we discussed, 70/30.		
66:11 - 66:17	<b>Morrill, Donn 2022-08-11</b>	00:00:22	Morrill.18
	66:11 Q. Does Amazon ever give any		
	66:12 developers a discount from that 30% the		
	66:13 Amazon Appstore charges for downloads and		
	66:14 in-app purchases?		
	66:15 A. On occasion we have various		
	66:16 negotiations and programs that would		
	66:17 potentially influence that schedule, yes.		
70:03 - 70:03	<b>Morrill, Donn 2022-08-11</b>	00:00:01	Morrill.19
	70:03 Q. Have you seen		
70:04 - 70:07	<b>Morrill, Donn 2022-08-11</b>	00:00:08	Morrill.20
	70:04 Exhibit 1362 before?		
	70:05 A. I do recall seeing this		
	70:06 document as part of preparing for today.		
	70:07 Q. And what is		
70:08 - 70:08	<b>Morrill, Donn 2022-08-11</b>	00:00:02	Morrill.21
	70:08 Exhibit 1362?		



**Morrill**

DESIGNATION	SOURCE	DURATION	ID
70:14 - 70:16	<b>Morrill, Donn 2022-08-11</b>	00:00:11	Morrill.22
70:14	A. This is an anonymized list of		
70:15	developers, some of which Amazon has		
70:16	entered into custom agreements with.		
71:11 - 71:16	<b>Morrill, Donn 2022-08-11</b>	00:00:19	Morrill.23
71:11	Has Amazon reached deals with		
71:12	some app developers where Amazon's		
71:13	commission is zero to 5% of the		
71:14	transaction price?		
71:15	A. It appears in a few cases that		
71:16	zero to 5% is agreed to.		
73:20 - 73:24	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.24
73:20	Q. Do you know whether Amazon has		
73:21	reached deals with some developers who		
73:22	distribute their apps through the Amazon		
73:23	Appstore where Amazon agrees to pay the		
73:24	developer a fee to develop the app?		
74:03 - 74:05	<b>Morrill, Donn 2022-08-11</b>	00:00:05	Morrill.25
74:03	A. Yes, there are cases where		
74:04	we've subsidized the development of the		
74:05	app.		
74:12 - 74:15	<b>Morrill, Donn 2022-08-11</b>	00:00:07	Morrill.26
74:12	Q. Do you know whether Amazon has		
74:13	agreed to provide financial incentives to		
74:14	certain developers who distribute their		
74:15	apps through the Amazon Appstore?		
74:18 - 74:20	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.27
74:18	A. Yes. As we've -- we've just		
74:19	discovered, certainly, Amazon sometimes		
74:20	pays a fee to the developer.		
75:11 - 75:16	<b>Morrill, Donn 2022-08-11</b>	00:00:14	Morrill.28
75:11	Q. And focusing on that same row,		
75:12	do you know whether Amazon has reached		
75:13	deals with some developers where Amazon		
75:14	receives a referral fee and does not		
75:15	require integration of its own billing		
75:16	solution?		
75:25 - 76:02	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.29

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	75:25 A. Yes, I believe that to be the 76:01 76:02 case in this example.		Morrill.29
79:03 - 79:03	<b>Morrill, Donn 2022-08-11</b>	00:00:01	Morrill.30
	79:03 Q. Sure. So we're looking at		
79:04 - 79:04	<b>Morrill, Donn 2022-08-11</b>	00:00:05	Morrill.31
	79:04 Exhibit 1363.		
80:11 - 80:16	<b>Morrill, Donn 2022-08-11</b>	00:00:13	Morrill.32
	80:11 For Amazon's fiscal year 2021		
	80:12 did the Amazon Appstore earn more		
	80:13 revenues from sales where Amazon's		
	80:14 commission was 30% or more revenues from		
	80:15 sales where Amazon's commission was less		
	80:16 than 30%?		
80:19 - 80:20	<b>Morrill, Donn 2022-08-11</b>	00:00:04	Morrill.33
	80:19 A. Across all of our devices,		
	80:20 less than 30%.		
87:15 - 87:20	<b>Morrill, Donn 2022-08-11</b>	00:00:13	Morrill.34
	87:15 Q. Thank you. And just to come		
	87:16 full circle to my original question, what		
	87:17 approximately was the actual commission		
	87:18 rate the Amazon Appstore received for		
	87:19 transactions on Android from 2018 to		
	87:20 2021?		
87:24 - 87:25	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.35
	87:24 A. As calculated here, roughly		
	87:25 10%.		
89:13 - 89:23	<b>Morrill, Donn 2022-08-11</b>	00:00:38	Morrill.36
	89:13 Q. What kinds of discounts does		
	89:14 Amazon offer to customers who are		
	89:15 shopping in its Amazon Appstore?		
	89:16 A. Sure. So Amazon has what I		
	89:17 would call a loyalty/discount program		
	89:18 called Amazon Coins, which is a prepaid		
	89:19 virtual currency, before the days of		
	89:20 crypto, that allowed customers to buy the		
	89:21 Coins at a various discount schedule and		
	89:22 then transact on the Amazon Appstore		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	89:23 using those Coins at a full value.		
90:20 - 91:01	<b>Morrill, Donn 2022-08-11</b>	00:00:17	Morrill.37
	90:20 Q. If a user uses Amazon Coins to		
	90:21 make a purchase through the Amazon		
	90:22 Appstore, does the fact that the user		
	90:23 used Amazon Coins, instead of U.S.		
	90:24 dollars, reduce the amount the developer		
	90:25 receives for that purchase?		
	91:01		
91:04 - 91:09	<b>Morrill, Donn 2022-08-11</b>	00:00:15	Morrill.38
	91:04 A. The developer still receives		
	91:05 their full royalty entitlement even if		
	91:06 the customer uses Coins for that		
	91:07 transaction.		
	91:08 Q. So who, if anyone, absorbs the		
	91:09 costs of those Amazon Coins discounts?		
91:11 - 91:11	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.39
	91:11 A. Amazon absorbs that discount.		
94:23 - 95:19	<b>Morrill, Donn 2022-08-11</b>	00:01:16	Morrill.40
	94:23 Q. At the beginning of 2018		
	94:24 approximately what proportion of the		
	94:25 Amazon Appstore's total sales came from		
	95:01		
	95:02 transactions on Android?		
	95:03 A. Again, using the same		
	95:04 definition of Android, doing some rough		
	95:05 math here, for that given month of		
	95:06 January \$23 million as a percentage of 78		
	95:07 million across all devices, roughly a		
	95:08 third, plus or minus.		
	95:09 Q. Okay. At the end of 2021		
	95:10 approximately what proportion of the		
	95:11 Amazon Appstore's total sales came from		
	95:12 transactions on Android?		
	95:13 A. Again, accounting for		
	95:14 fluctuations and the definition of		
	95:15 Android, the third-party or Android		
	95:16 revenue was just north of 15 million, the		
	95:17 total revenue across all device		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	95:18 categories was 164 million, so roughly		
	95:19 less than -- somewhat less than 10%.		
100:05 - 100:08	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.41
	100:05 Can you tell me approximately		
	100:06 how much expense Amazon incurred in		
	100:07 connection with its app store from 2015		
	100:08 through 2021 across those years?		
100:11 - 100:12	<b>Morrill, Donn 2022-08-11</b>	00:00:05	Morrill.42
	100:11 A. In aggregate, roughly 1.4		
	100:12 billion U.S. dollars.		
101:20 - 102:03	<b>Morrill, Donn 2022-08-11</b>	00:00:23	Morrill.43
	101:20 Q. What was the Amazon Appstore's		
	101:21 approximate net profit for the four years		
	101:22 2018 to 2021?		
	101:23 A. Looks like counsel has done		
	101:24 the math there in Excel. It looks like		
	101:25 positive -- again, I find those years		
	102:01		
	102:02 somewhat arbitrary -- but plus 300		
	102:03 million.		
103:03 - 103:14	<b>Morrill, Donn 2022-08-11</b>	00:00:31	Morrill.44
	103:03 Q. Do you know what it means for		
	103:04 an application to be preinstalled on a		
	103:05 mobile device?		
	103:06 A. I do, yes.		
	103:07 Q. Can you please explain to the		
	103:08 jury what it means for an application to		
	103:09 be preinstalled on a mobile device?		
	103:10 A. Sure. What it means is that		
	103:11 when a consumer opens that device and		
	103:12 turns it on the application is available		
	103:13 on that device. It doesn't have to be		
	103:14 downloaded and installed.		
107:16 - 107:19	<b>Morrill, Donn 2022-08-11</b>	00:00:08	Morrill.45
	107:16 Q. In 2013 was the Amazon		
	107:17 Appstore preinstalled on Android devices		
	107:18 to the same extent as the Google Play		
	107:19 Store?		
107:22 - 108:12	<b>Morrill, Donn 2022-08-11</b>	00:00:48	Morrill.46

## Morrill

DESIGNATION	SOURCE	DURATION	ID
	107:22 A. Again, talking specifically		Morrill.46
	107:23 about the Google Android devices, the		
	107:24 Amazon Appstore was not preinstalled.		
	107:25 Q. Okay. In 2013 if an Android		
	108:01		
	108:02 user wanted to install the Amazon		
	108:03 Appstore on his or her device, how could		
	108:04 the user do that, if at all?		
	108:05 A. There are -- there are ways to		
	108:06 do it. We have an exhibit here that walk		
	108:07 through step by step. But in short,		
	108:08 there's a process called sideloading that		
	108:09 a customer would have to go through		
	108:10 answering various questions, tapping		
	108:11 various screens in order to install the		
	108:12 Amazon Appstore on an Android device.		
110:02 - 110:06	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.47
	110:02 Today how does the number of		
	110:03 Android devices on which Amazon's		
	110:04 Appstore is installed compare to the		
	110:05 number of Android devices on which the		
	110:06 Google Play Store is installed?		
110:09 - 110:12	<b>Morrill, Donn 2022-08-11</b>	00:00:13	Morrill.48
	110:09 A. It continues to be, again,		
	110:10 significantly less Android third-party		
	110:11 devices run the Android Appstore than run		
	110:12 the Google Play Store.		
111:03 - 111:06	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.49
	111:03 Q. In Amazon's experience, does		
	111:04 the preinstallation of a mobile		
	111:05 application influence the way in which		
	111:06 users make use of that application?		
111:09 - 111:11	<b>Morrill, Donn 2022-08-11</b>	00:00:06	Morrill.50
	111:09 A. Yes. It's one of the things		
	111:10 that influences how consumers access and		
	111:11 use apps.		
111:15 - 111:17	<b>Morrill, Donn 2022-08-11</b>	00:00:06	Morrill.51
	111:15 And in what way does		
	111:16 preinstallation influence how consumers		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	111:17 access and use apps?		
111:25 - 112:18	<b>Morrill, Donn 2022-08-11</b>	00:00:57	Morrill.52
	111:25 A. So your question as to how		
	112:01		
	112:02 does preinstallation influence a		
	112:03 consumer's use of the apps, first off,		
	112:04 preinstallation means that the app is,		
	112:05 again, there on the device when the		
	112:06 customer first turns it on and starts		
	112:07 using it. So there is a -- there's a		
	112:08 placement and in-your-face effect that		
	112:09 you get.		
	112:10 Secondly, again, as		
	112:11 articulated here, having them		
	112:12 preinstalled means they're not going to		
	112:13 be up against any resource constraints		
	112:14 that a device might have initially.		
	112:15 They're going to run well, they're going		
	112:16 to have all the storage they need, and		
	112:17 preinstallation sometimes means trust		
	112:18 with a customer.		
113:12 - 113:17	<b>Morrill, Donn 2022-08-11</b>	00:00:15	Morrill.53
	113:12 Q. My question is whether in		
	113:13 Amazon's experience the presence of a		
	113:14 preinstalled mobile application has any		
	113:15 effect on user willingness to try		
	113:16 applications that compete with that		
	113:17 preinstalled application?		
113:21 - 114:07	<b>Morrill, Donn 2022-08-11</b>	00:00:30	Morrill.54
	113:21 A. Yeah, again, I can't speak to		
	113:22 everything that would motivate a consumer		
	113:23 to want to download an app or not		
	113:24 download a competing app.		
	113:25 Preinstallation is one of		
	114:01		
	114:02 those considerations. How good the app is		
	114:03 is a significant part of it as well.		
	114:04 Forgive my language, but if the		
	114:05 preinstallation app is crap and there is		
	114:06 a better alternative out there, customers		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	114:07 will very well seek out that alternative.		
115:22 - 115:25	<b>Morrill, Donn 2022-08-11</b>	00:00:09	Morrill.55
	115:22 By 2013 what was Amazon's		
	115:23 experience, if any, regarding where an		
	115:24 Android user looking to download an		
	115:25 application was likely to look first?		
116:08 - 116:11	<b>Morrill, Donn 2022-08-11</b>	00:00:14	Morrill.56
	116:08 A. On Android devices where		
	116:09 Google Play Store was preinstalled it was		
	116:10 more likely that customers would go to		
	116:11 the Google Play Store first.		
120:09 - 120:13	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.57
	120:09 What were the experiences that		
	120:10 led Amazon to conclude in 2013 that		
	120:11 Google had significant influence over the		
	120:12 applications that were preinstalled on		
	120:13 Android devices?		
120:18 - 120:22	<b>Morrill, Donn 2022-08-11</b>	00:00:15	Morrill.58
	120:18 A. Again, I wasn't at the table		
	120:19 for any of these conversations, but this		
	120:20 response is likely derived from Amazon's		
	120:21 experience and our conversations with		
	120:22 OEMs and MNOs.		
123:22 - 123:24	<b>Morrill, Donn 2022-08-11</b>	00:00:07	Morrill.59
	123:22 By 2013 had Amazon sought to		
	123:23 have its app store preinstalled on		
	123:24 Android-compatible devices?		
124:03 - 124:11	<b>Morrill, Donn 2022-08-11</b>	00:00:18	Morrill.60
	124:03 A. Yeah, again, I wasn't -- I		
	124:04 wasn't firsthand party to those		
	124:05 conversations but, yeah, my understanding		
	124:06 is that there were conversations		
	124:07 regarding Amazon Appstore preinstalls.		
	124:08 Q. And by that time what had		
	124:09 Amazon's experience been trying to get		
	124:10 its app store preinstalled on		
	124:11 Android-compatible devices?		
124:19 - 124:21	<b>Morrill, Donn 2022-08-11</b>	00:00:08	Morrill.61

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	124:19 A. For the most part, Amazon		Morrill.61
	124:20 found it very difficult to achieve any of		
	124:21 those preinstalled deals.		
125:11 - 125:15	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.62
	125:11 Q. And what was Amazon's		
	125:12 experience in the years after 2013 when		
	125:13 it was trying to get its app store		
	125:14 preinstalled on Android-compatible		
	125:15 devices?		
125:19 - 125:24	<b>Morrill, Donn 2022-08-11</b>	00:00:16	Morrill.63
	125:19 A. Yeah, again, I'd want to		
	125:20 understand kind of the date range, if		
	125:21 you're talking 2014 or 2015 or all the		
	125:22 way up through today. But in general,		
	125:23 post-2013 it continued to be challenging		
	125:24 to do any of those preinstall deals.		
135:09 - 136:02	<b>Morrill, Donn 2022-08-11</b>	00:00:49	Morrill.64
	135:09 Q. Okay. Could you please explain		
	135:10 to the jury was a default application is?		
	135:11 A. Sure. A default application is		
	135:12 an application such that when a mobile		
	135:13 device user wishes to do something or		
	135:14 complete a task there is an application		
	135:15 that is oftentimes invoked or launched in		
	135:16 order to complete that task. The default		
	135:17 application is the one that is, as it		
	135:18 sounds, by default invoked to complete		
	135:19 that task.		
	135:20 So just to use an example, if		
	135:21 you want to read an email or you want to		
	135:22 read a text message you tap on the text		
	135:23 message notification and a text message		
	135:24 app will, by default, handle that.		
	135:25 Q. Can a mobile device have a		
	136:01		
	136:02 default app store?		
136:07 - 136:10	<b>Morrill, Donn 2022-08-11</b>	00:00:09	Morrill.65
	136:07 A. Yes, a mobile device would		
	136:08 have a default app store such that if a		



**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	136:09 user wished to purchase an app, it would 136:10 default to that app store.		
136:20 - 136:22	<b>Morrill, Donn 2022-08-11</b> 136:20 Q. What is the app store on 136:21 Google Android devices? 136:22 A. Google Play.	00:00:06	Morrill.66
137:02 - 137:05	<b>Morrill, Donn 2022-08-11</b> 137:02 To your knowledge, has there 137:03 ever been any other app store on Google 137:04 Android devices that was set as the 137:05 default app store?	00:00:08	Morrill.67
137:08 - 137:13	<b>Morrill, Donn 2022-08-11</b> 137:08 A. Again, I don't have a survey 137:09 of every single OEM and every single 137:10 device, but my understanding is that the 137:11 Google App Store would have been the 137:12 default on our all Google Android 137:13 devices.	00:00:12	Morrill.68
138:04 - 138:07	<b>Morrill, Donn 2022-08-11</b> 138:04 By 2013 what had been Amazon's 138:05 experience, if any, with whether Google 138:06 had prevented competition from alternate 138:07 app stores on Android?	00:00:08	Morrill.69
138:10 - 138:16	<b>Morrill, Donn 2022-08-11</b> 138:10 A. Yeah, Amazon's experience is 138:11 that it was, again, per the earlier 138:12 conversations, very difficult to have 138:13 alternate app stores available on Google 138:14 devices. 138:15 Q. And did that include Amazon's 138:16 own app store?	00:00:20	Morrill.70
138:19 - 138:19	<b>Morrill, Donn 2022-08-11</b> 138:19 A. Yes. That's right.	00:00:02	Morrill.71
139:10 - 139:13	<b>Morrill, Donn 2022-08-11</b> 139:10 Q. To use Amazon's words, in 2013 139:11 was there a gateway through which most 139:12 consumers obtained mobile apps on 139:13 Android?	00:00:09	Morrill.72

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
139:16 - 139:18	<b>Morrill, Donn 2022-08-11</b> 139:16 A. Most mobile apps on Google 139:17 Android devices were obtained from Google 139:18 Play, yeah.	00:00:07	Morrill.73
140:07 - 140:10	<b>Morrill, Donn 2022-08-11</b> 140:07 By 2016, what was Amazon's 140:08 understanding of how Google became the 140:09 gatekeeper of app distribution on 140:10 Android?	00:00:09	Morrill.74
140:15 - 140:21	<b>Morrill, Donn 2022-08-11</b> 140:15 A. Yeah, I mean, there's 140:16 certainly a number of factors as to why 140:17 Google was in the position it was on the 140:18 dates in question. In part, it was due 140:19 to, as we have discussed, the 140:20 preinstallation and the making of default 140:21 the Google Play Store and the GMS apps.	00:00:25	Morrill.75
142:13 - 142:16	<b>Morrill, Donn 2022-08-11</b> 142:13 In Amazon's experience in 2013 142:14 what was the importance, if any, of 142:15 making an application the default 142:16 application on a mobile device?	00:00:08	Morrill.76
142:19 - 142:25	<b>Morrill, Donn 2022-08-11</b> 142:19 A. I think there is a number of 142:20 factors that go into the utilization of 142:21 an app on a device, the quality of that 142:22 application. But making it default is 142:23 certainly, as we -- as we said here, 142:24 words on the page is extremely important 142:25 in determining that.	00:00:20	Morrill.77
143:14 - 143:17	<b>Morrill, Donn 2022-08-11</b> 143:14 Q. And in 2013 did Amazon have an 143:15 estimate of the percentage of users who 143:16 used the services set as default on their 143:17 mobile devices?	00:00:10	Morrill.78
143:20 - 143:24	<b>Morrill, Donn 2022-08-11</b> 143:20 A. Yeah, doing the reverse math 143:21 here, again, specifically talking about	00:00:18	Morrill.79

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	143:22 the apps that react to requests requiring		
	143:23 a service on the device, 90% would be the		
	143:24 number.		
146:14 - 147:06	<b>Morrill, Donn 2022-08-11</b>	00:00:48	Morrill.80
	146:14 Q. Do you know what premium		
	146:15 placement is in the context of a mobile		
	146:16 application?		
	146:17 A. Yes, I could explain it.		
	146:18 Q. Could you explain it for the		
	146:19 jury, please?		
	146:20 A. Sure. Premium placement		
	146:21 generally means a mobile experience is		
	146:22 generally comprised of screens and		
	146:23 swipes. We describe a swipe as an action		
	146:24 it takes to find an app on a device or to		
	146:25 do something on a device.		
	147:01		
	147:02 So premium placement generally		
	147:03 means that there's fewer swipes, in some		
	147:04 cases as low as zero, in order to find an		
	147:05 app or to conduct a transaction on a		
	147:06 mobile device.		
151:12 - 151:16	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.81
	151:12 Q. Okay. By 2013 what was		
	151:13 Amazon's experience as to whether it was		
	151:14 becoming more or less difficult to secure		
	151:15 premium placement of an app on Android		
	151:16 devices?		
151:19 - 151:23	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.82
	151:19 A. Speaking generally, it had		
	151:20 become more difficult to negotiate		
	151:21 premium placement deals.		
	151:22 Q. And what was Amazon's		
	151:23 understanding of why that was?		
152:02 - 152:03	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.83
	152:02 A. Again, in part, it was due to		
	152:03 the GMS preinstallation clauses.		
156:16 - 156:19	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.84
	156:16 Q. By 2013 had Google's		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	156:17 prohibition on the restriction of		
	156:18 alternate app stores had any effect on		
	156:19 Amazon's ability to reach Android users?		
156:22 - 157:05	<b>Morrill, Donn 2022-08-11</b>	00:00:17	Morrill.85
	156:22 A. That was -- yes, that was		
	156:23 materially part of the reason for the		
	156:24 limitations of the Amazon Appstore of		
	156:25 distribution.		
	157:01		
	157:02 Q. And by 2013 had Google's		
	157:03 prohibition on the distribution of		
	157:04 alternative app stores had any effect on		
	157:05 the reach of the Amazon Appstore?		
157:08 - 157:10	<b>Morrill, Donn 2022-08-11</b>	00:00:06	Morrill.86
	157:08 A. If by "reach" we mean the		
	157:09 number of customers to which it's made		
	157:10 available, yes.		
158:14 - 158:17	<b>Morrill, Donn 2022-08-11</b>	00:00:07	Morrill.87
	158:14 Is there a way to get the		
	158:15 Amazon Appstore on an Android device?		
	158:16 A. On a Google Android device		
	158:17 there is a way, yes.		
158:20 - 159:08	<b>Morrill, Donn 2022-08-11</b>	00:00:36	Morrill.88
	158:20 Q. I'm sorry. What is the way		
	158:21 that you can get it on an Android device?		
	158:22 A. It's a process commonly		
	158:23 referred to as sideloading. There is a		
	158:24 number of steps involved.		
	158:25 Q. Okay. Can you just explain in		
	159:01		
	159:02 general what sideloading is for the jury.		
	159:03 A. Sure. In general, sideloading		
	159:04 is a process by which you would bypass an		
	159:05 app store and essentially download and		
	159:06 install, in this case Android mobile		
	159:07 apps, sometimes referred to as APK files		
	159:08 directly on a device.		
161:12 - 161:19	<b>Morrill, Donn 2022-08-11</b>	00:00:17	Morrill.89
	161:12 Q. Okay. In 2013 on a compatible		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	161:13 Android device how many clicks did it		
	161:14 take to get to the Google Play Store?		
	161:15 A. One.		
	161:16 Q. And in 2013 on a compatible		
	161:17 Android device how many clicks did it		
	161:18 take to download an app store, other than		
	161:19 the Google Play Store?		
161:24 - 162:14	<b>Morrill, Donn 2022-08-11</b>	00:00:37	Morrill.90
	161:24 A. Again, as written and per the		
	161:25 process that was gone through in		
	162:01		
	162:02 furtherance of this document, at least		
	162:03 ten steps.		
	162:04 Q. In 2013 what did Amazon		
	162:05 experience was the effect, if any, the		
	162:06 sideloading process had on whether users		
	162:07 downloaded app stores that competed with		
	162:08 Google Play Store?		
	162:09 A. As stated, our position is		
	162:10 that it discouraged, strongly discouraged		
	162:11 users from using the app store or I		
	162:12 should say discovering the app store, not		
	162:13 using, discovering and installing.		
	162:14 Forgive me.		
163:10 - 163:10	<b>Morrill, Donn 2022-08-11</b>	00:00:01	Morrill.91
	163:10 (Exhibit 1366,		
163:11 - 163:15	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.92
	163:11 Amazon Unlocks Coins Discounts for		
	163:12 All Mobile Garners, Bates		
	163:13 AMZ-GP_00003257 was received and		
	163:14 marked on this date for		
	163:15 identification.)		
165:12 - 165:15	<b>Morrill, Donn 2022-08-11</b>	00:00:13	Morrill.93
	165:12 Q. Is it true that -- let me ask		
	165:13 you, was the need to sideload the Amazon		
	165:14 Appstore a historical constraint on the		
	165:15 Amazon Appstore on Android?		
165:18 - 165:20	<b>Morrill, Donn 2022-08-11</b>	00:00:09	Morrill.94
	165:18 A. To categorize constraint, it		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	165:19 was a constraint in discovery and 165:20 download of the Appstore.		
169:11 - 169:24	<b>Morrill, Donn 2022-08-11</b> 169:11 Q. Okay. In this document we're 169:12 looking at do you know what is meant by 169:13 the word "friction" in this context? 169:14 A. Yeah, friction, generally, 169:15 across Amazon it's meant as it might 169:16 sound, is any step that adds complexity 169:17 to the process of achieving a result. In 169:18 this case, adding steps or adding 169:19 complexity to the processes we've just 169:20 been talking about. 169:21 Q. As of August 2020 what 169:22 percentage of users that started the 169:23 process of sideloading the Amazon 169:24 Appstore completed that process --	00:00:45	Morrill.95
170:03 - 170:03	<b>Morrill, Donn 2022-08-11</b> 170:03 Q. -- on Android?	00:00:01	Morrill.96
170:05 - 170:06	<b>Morrill, Donn 2022-08-11</b> 170:05 A. As written here, roughly 11% 170:06 of unique visitors.	00:00:05	Morrill.97
171:22 - 172:08	<b>Morrill, Donn 2022-08-11</b> 171:22 Q. What is depicted in appendix 171:23 K? 171:24 A. These are screenshots or 171:25 mockups, if you will, of the steps that a 172:01 user -- a user new to the Amazon 172:02 Appstore -- would have to go through if 172:03 their desire was to load and install an 172:04 app from the Amazon Appstore the first 172:05 time. 172:06 172:07 Q. And how many steps would be 172:08 required in that scenario?	00:00:30	Morrill.98
172:11 - 173:02	<b>Morrill, Donn 2022-08-11</b> 172:11 A. Well, there is a 16A and a 16B 172:12 here, but roughly 19 steps, 18 or 19 172:13 steps.	00:00:36	Morrill.99

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	172:14 Q. Okay. And in this particular		
	172:15 instance it looks like appendix K is		
	172:16 showing the steps to download the game		
	172:17 Minecraft. Do you see that?		
	172:18 A. Yes, it's a favorite of my		
	172:19 son's.		
	172:20 Q. The first step here it says		
	172:21 "mobile browser"?		
	172:22 A. A-hum.		
	172:23 Q. And it looks like the device		
	172:24 has been navigated to an Amazon page for		
	172:25 the Minecraft app. Do you see that?		
	173:01		
	173:02 A. Yes, I do.		
173:06 - 173:15	<b>Morrill, Donn 2022-08-11</b>	00:00:23	Morrill.100
	173:06 Let's suppose for a moment		
	173:07 that what we're looking at here in		
	173:08 appendix K is my brand new Android phone,		
	173:09 just out of the box, didn't come with the		
	173:10 Amazon Appstore preinstalled but I want		
	173:11 to install the Amazon Appstore and I want		
	173:12 to download the Minecraft app from it.		
	173:13 Can you please walk the jury through each		
	173:14 of the steps I'd need to follow, starting		
	173:15 with step one?		
173:18 - 176:23	<b>Morrill, Donn 2022-08-11</b>	00:03:57	Morrill.101
	173:18 A. You'd like me to enumerate all		
	173:19 19 steps?		
	173:20 Q. If you can walk through them		
	173:21 with me, that would be helpful. Thank		
	173:22 you.		
	173:23 A. Okay. These are a little bit		
	173:24 blurry but I can walk through the spirit		
	173:25 of what is going on here.		
	174:01		
	174:02 So the first two pages on the		
	174:03 first one, as you said, the user is on		
	174:04 the mobile landing page for Minecraft.		
	174:05 They decide they want to install		
	174:06 Minecraft. I believe there are some		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
174:07	buttons there to start the process to do		
174:08	so.		
174:09	The next step looks like it's		
174:10	a promotional offer for Amazon Coins, if		
174:11	I'm seeing that correctly. And the next		
174:12	step is the start of the -- because,		
174:13	again, in this flow the app store is not		
174:14	installed, the Amazon Appstore is not		
174:15	installed on the device yet, we must now		
174:16	start the sideloading process of the app		
174:17	store, itself. And so, step three and		
174:18	four start that process.		
174:19	Step five is an operating		
174:20	system warning. I can't see the details		
174:21	given the blurriness, but typically there		
174:22	is a warning that the user is		
174:23	downloading, again, an APK file from an		
174:24	unknown and untrusted source. The user is		
174:25	then prompted through a series of screens		
175:01			
175:02	to go into operating system settings and		
175:03	allow that transaction to go through,		
175:04	that download from an untrusted source.		
175:05	So you can see six, seven and eight are		
175:06	doing that.		
175:07	Step nine, once the user has		
175:08	downloaded that APK file -- again, the		
175:09	APK represents the Amazon Appstore app --		
175:10	they then have to have to find that APK.		
175:11	If you're familiar with		
175:12	Windows, when you download a file you		
175:13	have to find that file. This is the		
175:14	equivalent of that experience on the		
175:15	Android device. So they would find, you		
175:16	know, steps 9, 10, 11 have them locating		
175:17	that file on their device.		
175:18	Step 12 is another warning		
175:19	about; you're about to install an APK		
175:20	file from an untrusted source. Step 13 is		
175:21	where the app store installation process		
175:22	starts. Step 14 is the completion of it.		



**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	175:23 Step 15 is now the initial configuration		
	175:24 of the app store which would happen the		
	175:25 first time you ran an app store, you have		
	176:01		
	176:02 to log in, you have to either provide		
	176:03 existing Amazon credentials, account		
	176:04 credentials or you have to create a new		
	176:05 Amazon account, if you happen not to have		
	176:06 had Amazon credentials. And then on step		
	176:07 17 you are presented with the in this		
	176:08 case the Minecraft app in the app store,		
	176:09 in the Amazon Appstore. And from them you		
	176:10 buy, if there is a dollar amount		
	176:11 associated with the purchasing of that		
	176:12 app, you will pay for it, if not, it		
	176:13 would be free and then you would install		
	176:14 the app from the Amazon Appstore.		
	176:15 Q. Thank you very much, sir.		
	176:16 I want to ask you some		
	176:17 questions now about what happens once a		
	176:18 user has sideloaded the Amazon Appstore		
	176:19 on his or her device.		
	176:20 If a customer installs the		
	176:21 Amazon Appstore on an Android device via		
	176:22 sideloading, can the Amazon Appstore be		
	176:23 automatically updated on that device?		
177:02 - 177:09	<b>Morrill, Donn 2022-08-11</b>	00:00:21	Morrill.102
	177:02 A. Can the app store as an app be		
	177:03 updated?		
	177:04 Q. Automatically updated.		
	177:05 A. Not easily, no, no.		
	177:06 Q. Would a sideloaded		
	177:07 installation of the Amazon Appstore		
	177:08 automatically receive security fixes that		
	177:09 Amazon might release?		
177:12 - 177:13	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.103
	177:12 A. Again, not automatically		
	177:13 updated.		
180:04 - 180:13	<b>Morrill, Donn 2022-08-11</b>	00:00:25	Morrill.104
	180:04 Q. Okay. To your knowledge, has		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	180:05 Google ever whitelisted or allowlisted		
	180:06 the Amazon Appstore on Android?		
	180:07 A. Not to my knowledge. The		
	180:08 process that we discussed here is largely		
	180:09 still the process.		
	180:10 Q. When you say "the process we		
	180:11 discussed here", the 19-step process you		
	180:12 walked through?		
	180:13 A. That's correct.		
192:18 - 192:21	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.105
	192:18 Q. Did Google express to Amazon		
	192:19 in 2013 whether Google was interested in		
	192:20 exploring Kindle as Google's default book		
	192:21 service in Google Play Services?		
192:24 - 193:08	<b>Morrill, Donn 2022-08-11</b>	00:00:16	Morrill.106
	192:24 A. Yeah, yes. As I stated		
	192:25 earlier, there were -- there were		
	193:01		
	193:02 conversations and negotiations to that		
	193:03 point.		
	193:04 Q. And did Google express to		
	193:05 Amazon what, if anything, it wanted from		
	193:06 Amazon in exchange for making Kindle the		
	193:07 default book service in Google Play		
	193:08 Services?		
193:11 - 193:18	<b>Morrill, Donn 2022-08-11</b>	00:00:23	Morrill.107
	193:11 A. Yes. Again, myself not being		
	193:12 parties to those conversations, Google		
	193:13 said that they would like Google Play to		
	193:14 be the default app store on these		
	193:15 devices.		
	193:16 Q. On what devices?		
	193:17 A. On the Amazon, what we call 1P		
	193:18 devices.		
193:23 - 194:03	<b>Morrill, Donn 2022-08-11</b>	00:00:16	Morrill.108
	193:23 Did Google communicate -- did		
	193:24 Google communicate to Amazon in 2013		
	193:25 whether it wanted Amazon to continue its		
	194:01		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	194:02 app store efforts, its separate Amazon		
	194:03 Appstore efforts?		
194:05 - 194:11	<b>Morrill, Donn 2022-08-11</b>	00:00:20	Morrill.109
	194:05 A. Part of -- part of the		
	194:06 conversation, again, was a proposal that		
	194:07 Amazon stop investing in its own app		
	194:08 store.		
	194:09 Q. Part of what conversation was		
	194:10 a proposal that Amazon stop investing in		
	194:11 its own app store?		
194:14 - 195:02	<b>Morrill, Donn 2022-08-11</b>	00:00:38	Morrill.110
	194:14 A. The conversation that we were		
	194:15 just talking about, to have Kindle and a		
	194:16 few other services become default for		
	194:17 Google Play.		
	194:18 Q. Did Amazon ever agree to		
	194:19 abandon its own app store on Android in		
	194:20 exchange for something from Google?		
	194:21 A. No, we never agreed to divest		
	194:22 of Appstore or stop investment in it.		
	194:23 Q. Okay. Did Google ever make		
	194:24 Kindle the default reader app on Google		
	194:25 Play Services?		
	195:01		
	195:02 A. Not to my knowledge, no, no.		
261:25 - 262:03	<b>Morrill, Donn 2022-08-11</b>	00:00:05	Morrill.111
	261:25 Q. Why don't we go ahead and look		
	262:01		
	262:02 at a document. I'm going to introduce a		
	262:03 new exhibit. This will be		
262:04 - 262:04	<b>Morrill, Donn 2022-08-11</b>	00:00:00	Morrill.112
	262:04 Exhibit 11405.		
263:07 - 263:08	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.113
	263:07 Q. Mr. Morrill, have you seen		
	263:08 this document before?		
263:09 - 263:16	<b>Morrill, Donn 2022-08-11</b>	00:00:15	Morrill.114
	263:09 A. Yes, this was reviewed as part		
	263:10 of my preparation for today.		
	263:11 Q. And I take it that this is a		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	263:12 document that was generated by Amazon		
	263:13 employees in the course of their		
	263:14 responsibilities with the company?		
	263:15 A. I would say in the course of		
	263:16 normal business, yes.		
264:04 - 264:09	<b>Morrill, Donn 2022-08-11</b>	00:00:19	Morrill.115
	264:04 Q. What is the Amazon		
	264:05 Benchmarking team?		
	264:06 A. Well, as it sounds, it's a		
	264:07 research organization within Amazon that		
	264:08 conducts certain studies in furtherance		
	264:09 of helping us define business strategy.		
264:22 - 265:24	<b>Morrill, Donn 2022-08-11</b>	00:01:05	Morrill.116
	264:22 Q. Got it. The date of this		
	264:23 particular Amazon Benchmarking memo is		
	264:24 April 23rd, 2013. Do I have that right?		
	264:25 A. That's correct.		
	265:01		
	265:02 Q. And the very first heading at		
	265:03 the top of this memo is Purpose, right?		
	265:04 A. Yes.		
	265:05 Q. And then right underneath that		
	265:06 heading the first sentence says, "This		
	265:07 program compared the user experience of		
	265:08 the Amazon Appstore versus competitors."		
	265:09 Did I read that correctly?		
	265:10 A. Yup. That's right.		
	265:11 Q. And do you have an		
	265:12 understanding as to what that sentence		
	265:13 means?		
	265:14 A. Yeah. We were looking at the		
	265:15 user experience, how the consumer		
	265:16 experiences the particular feature or the		
	265:17 particular service compared to what we		
	265:18 would view as competitors in that space,		
	265:19 competing offerings in that space.		
	265:20 Q. Okay. And then it goes on in		
	265:21 the rest of this first paragraph, it		
	265:22 identifies certain other app stores that		
	265:23 Amazon sees as competitors. Do you see		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	265:24 that?		
266:03 - 266:12	<b>Morrill, Donn 2022-08-11</b>	00:00:23	Morrill.117
	266:03 A. I do see that, yeah.		
	266:04 Q. And so in the second line of		
	266:05 that first paragraph this memorandum		
	266:06 identifies the Apple App Store as a		
	266:07 competitor. Do I have that right?		
	266:08 A. Correct. On an iPad, yes.		
	266:09 Q. And then it goes on to		
	266:10 identify Google Play as another		
	266:11 competitor, correct?		
	266:12 A. Yup, on a given device, yes.		
266:21 - 267:03	<b>Morrill, Donn 2022-08-11</b>	00:00:18	Morrill.118
	266:21 Q. So according to this		
	266:22 memorandum, as of April 23rd, 2013 Amazon		
	266:23 viewed the Apple App Store, the Google		
	266:24 Play Store, Microsoft's Window store and		
	266:25 Facebook App Center as competitors to the		
	267:01		
	267:02 Amazon Appstore. Is that a fair		
	267:03 characterization?		
267:06 - 267:09	<b>Morrill, Donn 2022-08-11</b>	00:00:07	Morrill.119
	267:06 A. Yeah, I think there are		
	267:07 elements of each of those products that		
	267:08 would in some sense compete with the		
	267:09 Amazon Appstore.		
267:21 - 268:10	<b>Morrill, Donn 2022-08-11</b>	00:00:31	Morrill.120
	267:21 Q. So I'd like to focus on the		
	267:22 chart that appears at the bottom of page		
	267:23 1 and then continues onto the second		
	267:24 page. Again, this is under the Findings		
	267:25 Summary part of the memo. Do you see		
	268:01		
	268:02 that?		
	268:03 A. I do, yes.		
	268:04 Q. And so looking at this chart		
	268:05 it describes various aspects of the		
	268:06 Amazon Appstore and how the Amazon		
	268:07 Appstore compares to the other stores		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	268:08 discussed in this memo. Do you see that?		
	268:09 A. Yeah. I think that's a fair		
	268:10 representation of the chart.		
268:11 - 269:07	<b>Morrill, Donn 2022-08-11</b>	00:00:48	Morrill.121
	268:11 Q. Thank you. So beginning with		
	268:12 the first row in the chart, there is a		
	268:13 row that says Selection. Do you see that?		
	268:14 A. A-hum, I do.		
	268:15 Q. And moving over to the Comment		
	268:16 row, the first line is, "Amazon carried		
	268:17 61% of the top 200 paid and top 200 free		
	268:18 apps on Google Play." Did I read that		
	268:19 correctly?		
	268:20 A. Yes.		
	268:21 Q. And then goes on to say that,		
	268:22 "25% of the missing apps were missing		
	268:23 selection from developers who had other		
	268:24 apps on the Amazon Appstore." Do you see		
	268:25 that?		
	269:01		
	269:02 A. I do.		
	269:03 Q. And so according to this, one		
	269:04 of the findings of this memo was that as		
	269:05 of this point in time Amazon had a		
	269:06 smaller selection of apps, as compared to		
	269:07 the Google Play Store; is that correct?		
269:10 - 269:10	<b>Morrill, Donn 2022-08-11</b>	00:00:04	Morrill.122
	269:10 A. That's a fair statement, yes.		
271:08 - 271:14	<b>Morrill, Donn 2022-08-11</b>	00:00:15	Morrill.123
	271:08 Q. And according to this		
	271:09 memorandum, in some cases those		
	271:10 applications were more outdated on the		
	271:11 Amazon Appstore as compared to Google		
	271:12 Play. Do I have that right?		
	271:13 A. Yes, yes, according to these		
	271:14 findings.		
273:11 - 274:07	<b>Morrill, Donn 2022-08-11</b>	00:00:50	Morrill.124
	273:11 Q. The fourth column from the		
	273:12 last says Critical or Lost. Do you see		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	273:13 that?		
	273:14 A. I do.		
	273:15 Q. Do you understand what that		
	273:16 means?		
	273:17 A. Again, I wasn't involved in		
	273:18 the creation of this document, but my		
	273:19 interpretation of this is that, in this		
	273:20 column the Amazon Appstore would be		
	273:21 significantly behind the competitive set		
	273:22 that we're speaking about in terms of		
	273:23 capabilities for the given row.		
	273:24 Q. Okay. And when you say "the		
	273:25 competitive set", what do you mean by		
	274:01		
	274:02 that?		
	274:03 A. I mean the app stores that we		
	274:04 -- that we enumerated at the beginning of		
	274:05 this questioning; the Apple App Store,		
	274:06 Google Play, Microsoft Windows Store,		
	274:07 Google App Center.		
278:17 - 279:03	<b>Morrill, Donn 2022-08-11</b>	00:00:24	Morrill.125
	278:17 Q. Now, turning to the second		
	278:18 page of this document, keeping with this		
	278:19 same table, at the very top there is a		
	278:20 row that says Recommendations. Do you see		
	278:21 that?		
	278:22 A. I do.		
	278:23 Q. And it states in the Comment		
	278:24 field that, "Amazon provided limited		
	278:25 personalized recommendations." Did I read		
	279:01		
	279:02 that correctly?		
	279:03 A. I do -- yes, you did.		
280:07 - 280:21	<b>Morrill, Donn 2022-08-11</b>	00:00:24	Morrill.126
	280:07 Q. And here it draws a		
	280:08 comparison to the Google Play Store,		
	280:09 correct? Do you see that in the next		
	280:10 sentence?		
	280:11 A. I do, yes.		
	280:12 Q. It says that the "Google's		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	280:13 recommendations were based on more than		
	280:14 purchase and browsing history and		
	280:15 included the reasons behind each		
	280:16 recommendation with a mechanism to mark a		
	280:17 recommendation as not interested."		
	280:18 Do you see that?		
	280:19 A. I do.		
	280:20 Q. And did I read that correctly?		
	280:21 A. Yes, you did.		
281:06 - 281:17	<b>Morrill, Donn 2022-08-11</b>	00:00:24	Morrill.127
	281:06 Q. Moving down to the row that		
	281:07 says Detail Page, do you see that?		
	281:08 A. I do.		
	281:09 Q. And for Detail Page, this was		
	281:10 another one where this memorandum puts a		
	281:11 checkmark in the Critical or Lost column.		
	281:12 Do you see that?		
	281:13 A. I do, yes.		
	281:14 Q. And then in the Comment field		
	281:15 it says, "For Detail Page Google and		
	281:16 Apple provided more full and consistent		
	281:17 app data." Did I read that correctly?		
281:20 - 281:25	<b>Morrill, Donn 2022-08-11</b>	00:00:14	Morrill.128
	281:20 A. Yes, you did.		
	281:21 Q. So this was another area where		
	281:22 there is a gap between the features seen		
	281:23 on the Google Play Store and the Apple		
	281:24 App Store relative to the Amazon		
	281:25 Appstore. Do I have that right?		
282:04 - 282:05	<b>Morrill, Donn 2022-08-11</b>	00:00:04	Morrill.129
	282:04 A. Once the customer is inside		
	282:05 the app store, that is accurate.		
286:02 - 286:07	<b>Morrill, Donn 2022-08-11</b>	00:00:13	Morrill.130
	286:02 Q. And out of the eight -- I'm		
	286:03 sorry -- out of the 14 aspects studied		
	286:04 there were eight for which the Amazon		
	286:05 Appstore had critical defects as compared		
	286:06 to the competitive set as of this date,		
	286:07 correct?		



**Morrill**

DESIGNATION	SOURCE	DURATION	ID
286:10 - 286:11	<b>Morrill, Donn 2022-08-11</b> 286:10 A. That's an accurate 286:11 interpretation of this, yes.	00:00:03	Morrill.131
288:19 - 288:23	<b>Morrill, Donn 2022-08-11</b> 288:19 Q. So just to make sure I have a 288:20 clear record, you would agree these 288:21 critical defects affected the ability of 288:22 the Amazon Appstore to compete against 288:23 other app stores?	00:00:09	Morrill.132
289:02 - 289:02	<b>Morrill, Donn 2022-08-11</b> 289:02 A. In part, in part, yes.	00:00:01	Morrill.133
293:02 - 293:14	<b>Morrill, Donn 2022-08-11</b> 293:02 Q. So just for the 293:03 sake of the record, this is a document 293:04 that in the upper left-hand corner is 293:05 labeled 2021 Appstore Experience. Do you 293:06 see that? 293:07 A. I do, yes. 293:08 Q. And then in the upper 293:09 right-hand corner it says Amazon 293:10 Benchmarking. Do you see that? 293:11 A. I do, yes. 293:12 Q. So would this have been the 293:13 same team that prepared the memo we 293:14 looked at last time?	00:00:22	Morrill.134
293:17 - 293:20	<b>Morrill, Donn 2022-08-11</b> 293:17 A. The same team, perhaps 293:18 different people on the team at that 293:19 point but the function of the team should 293:20 have been largely the same.	00:00:08	Morrill.135
294:12 - 294:15	<b>Morrill, Donn 2022-08-11</b> 294:12 I take it this memo would have 294:13 been prepared in the ordinary course of 294:14 business; is that correct? 294:15 A. That is correct.	00:00:06	Morrill.136
297:25 - 298:08	<b>Morrill, Donn 2022-08-11</b> 297:25 Q. So do you understand that with 298:01	00:00:14	Morrill.137

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	298:02 respect to third-party mobile devices,		
	298:03 the study focused on the consumer		
	298:04 experience on the Apple App Store, the		
	298:05 Google Play Store, and the Amazon		
	298:06 Appstore?		
	298:07 A. That appears to be the case,		
	298:08 yes.		
299:23 - 300:05	<b>Morrill, Donn 2022-08-11</b>	00:00:16	Morrill.138
	299:23 Q. And as we just discussed, this		
	299:24 part of the study compared the experience		
	299:25 on the Amazon Appstore on an Android		
	300:01		
	300:02 device to the consumer experience on the		
	300:03 Google Play Store and the Apple App		
	300:04 Store. Do I have that right?		
	300:05 A. That's correct.		
300:11 - 300:16	<b>Morrill, Donn 2022-08-11</b>	00:00:16	Morrill.139
	300:11 Q. And for the part of the study		
	300:12 that focused on the consumer experience		
	300:13 on mobile devices it states for Amazon		
	300:14 Performance, "Trailed competition some		
	300:15 opportunities." Do you see that?		
	300:16 A. I do.		
301:21 - 301:24	<b>Morrill, Donn 2022-08-11</b>	00:00:07	Morrill.140
	301:21 Q. Okay. When it says "trailed		
	301:22 competition", the competition that's		
	301:23 being referred to here is the Apple App		
	301:24 Store and the Google Play Store, correct?		
302:03 - 302:03	<b>Morrill, Donn 2022-08-11</b>	00:00:01	Morrill.141
	302:03 A. Yes.		
302:04 - 302:09	<b>Morrill, Donn 2022-08-11</b>	00:00:19	Morrill.142
	302:04 Q. Then moving over to the		
	302:05 Findings Overview column, sticking with		
	302:06 the same row, do you understand that that		
	302:07 field provides a summary of the reasons		
	302:08 why the study concluded that the Amazon		
	302:09 Appstore trailed the competition?		
302:12 - 302:13	<b>Morrill, Donn 2022-08-11</b>	00:00:04	Morrill.143
	302:12 A. It's a -- it's a distilled		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	302:13 version of the reasons, yes.		
302:23 - 303:05	<b>Morrill, Donn 2022-08-11</b>	00:00:13	Morrill.144
	302:23 Q. The Amazon Appstore had		
	302:24 456,000 apps, whereas, the Apple App		
	302:25 Store had 1.85 million and the Google		
	303:01		
	303:02 Play Store had 2.65 million. Do I have		
	303:03 that right?		
	303:04 A. Yes, at that time that is		
	303:05 right.		
303:06 - 303:09	<b>Morrill, Donn 2022-08-11</b>	00:00:08	Morrill.145
	303:06 Q. Okay. So as of this point in		
	303:07 time when it came to app selection, the		
	303:08 Amazon Appstore trailed the Apple App		
	303:09 Store and the Google Play Store, correct?		
303:12 - 303:12	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.146
	303:12 A. That's a fair assessment, yes.		
305:02 - 305:10	<b>Morrill, Donn 2022-08-11</b>	00:00:18	Morrill.147
	305:02 Q. Following the Findings Summary		
	305:03 chart that we just spent some time		
	305:04 reviewing, there was a heading that said		
	305:05 Recommendation. Do you see that?		
	305:06 A. I do.		
	305:07 Q. And the first subheading there		
	305:08 says "R1 web instructions for		
	305:09 sideloading." Do you see that?		
	305:10 A. I do.		
307:06 - 307:10	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.148
	307:06 Q. And so according to this,		
	307:07 Amazon's instructions for sideloading the		
	307:08 Amazon Appstore were not entirely correct		
	307:09 for certain Android devices; is that		
	307:10 fair?		
307:13 - 307:14	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.149
	307:13 A. They were not entirely clear,		
	307:14 yes.		
310:04 - 310:07	<b>Morrill, Donn 2022-08-11</b>	00:00:06	Morrill.150
	310:04 Q. And that would have made it		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	310:05 more difficult for those customers to		
	310:06 complete the sideloading process. Would		
	310:07 you agree with that?		
310:10 - 310:12	<b>Morrill, Donn 2022-08-11</b>	00:00:04	Morrill.151
	310:10 A. For the consumers that are		
	310:11 following these instructions, it could		
	310:12 have made it more difficult.		
310:24 - 311:10	<b>Morrill, Donn 2022-08-11</b>	00:00:19	Morrill.152
	310:24 Q. And this talks about parental		
	310:25 controls on the Amazon Appstore as		
	311:01		
	311:02 compared to those on the Google Play		
	311:03 Store and the Apple App Store. Do you see		
	311:04 that?		
	311:05 A. I do, yes.		
	311:06 Q. It states here that, "Amazon's		
	311:07 parental controls differed significantly		
	311:08 from those of Apple and Google." Did I		
	311:09 read that correctly?		
	311:10 A. Yes.		
314:02 - 314:06	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.153
	314:02 Q. So that might be one metric on		
	314:03 which the Amazon Appstore competes		
	314:04 against other app stores, is the parental		
	314:05 control functionality. Would you agree		
	314:06 with that?		
314:09 - 314:17	<b>Morrill, Donn 2022-08-11</b>	00:00:20	Morrill.154
	314:09 A. I think that's a fair -- I		
	314:10 think that's one of many, yes, but I		
	314:11 think that's a fair statement.		
	314:12 Q. And according to this memo, as		
	314:13 of this point in time, 2021, the Google		
	314:14 Play Store and the Apple App Store still		
	314:15 had some additional functionality with		
	314:16 parent controls that the Amazon Appstore		
	314:17 did not have; is that fair?		
314:19 - 314:20	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.155
	314:19 A. At the time this was written,		
	314:20 I think that's fair, yes.		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
339:06 - 339:09	<b>Morrill, Donn 2022-08-11</b> 339:06 Q. Now, you testified a moment 339:07 ago that when a developer sells in-app 339:08 content the developer has to use Amazon's 339:09 in-app payment API. Do I have that right?	00:00:13	Morrill.156
339:12 - 339:12	<b>Morrill, Donn 2022-08-11</b> 339:12 A. That's right.	00:00:01	Morrill.157
339:13 - 339:19	<b>Morrill, Donn 2022-08-11</b> 339:13 Q. And that's Amazon's own 339:14 payment system, right? 339:15 A. That's right. 339:16 Q. And is it also the case that 339:17 if a developer charges to download an app 339:18 on the Amazon Appstore they also have to 339:19 implement Amazon's payment API?	00:00:19	Morrill.158
339:22 - 340:03	<b>Morrill, Donn 2022-08-11</b> 339:22 A. That's right. 339:23 Q. So the developer has to use 339:24 Amazon's payment system regardless of 339:25 whether they are charging to download the 340:01 340:02 app or charging for in-app content. Do I 340:03 have that right?	00:00:11	Morrill.159
340:06 - 340:11	<b>Morrill, Donn 2022-08-11</b> 340:06 A. That's correct. 340:07 Q. And this is a policy that 340:08 developers have to abide by as a term and 340:09 condition of being on the Amazon 340:10 Appstore. Do I have that right? 340:11 A. That's fair, yes.	00:00:12	Morrill.160
377:17 - 377:24	<b>Morrill, Donn 2022-08-11</b> 377:17 The Amazon Fire tablet, is 377:18 that one of the tablets that Amazon 377:19 produces that runs the FireOS? 377:20 A. That is correct, yes. 377:21 Q. Based on your review of this 377:22 document, is it fair to say that this 377:23 describes the process for sideloading on 377:24 an Amazon Fire tablet?	00:00:20	Morrill.161

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
378:07 - 378:09	<b>Morrill, Donn 2022-08-11</b> 378:07 A. To the best of my 378:08 understanding, yes, I have no reason not 378:09 to believe this isn't the process.	00:00:07	Morrill.162
378:17 - 379:02	<b>Morrill, Donn 2022-08-11</b> 378:17 Q. Mr. Morrill, if you would turn 378:18 to page 4 of this exhibit, I would 378:19 appreciate it. 378:20 A. I'm on page 4. 378:21 Q. And there are screen captures 378:22 here on this page. Do you see those? 378:23 A. I do. 378:24 Q. Do you understand that these 378:25 are screen captures taken from an Amazon 379:01 379:02 Fire tablet device?	00:00:22	Morrill.163
379:07 - 379:08	<b>Morrill, Donn 2022-08-11</b> 379:07 A. That -- that appears to be the 379:08 case.	00:00:03	Morrill.164
379:09 - 379:16	<b>Morrill, Donn 2022-08-11</b> 379:09 Q. The second screen capture that 379:10 appears on page 4, in the very middle of 379:11 page 4. Do you see that? 379:12 A. I do. 379:13 Q. And that screen capture there 379:14 is a line that says "allow from this 379:15 source". Do you see that? 379:16 A. I do.	00:00:17	Morrill.165
380:06 - 380:09	<b>Morrill, Donn 2022-08-11</b> 380:06 Q. So this is a step that users 380:07 would have to go through on an Amazon 380:08 Fire tablet to sideload an application. 380:09 Is that your understanding?	00:00:09	Morrill.166
380:14 - 380:14	<b>Morrill, Donn 2022-08-11</b> 380:14 A. Apparently so, yes, yes.	00:00:03	Morrill.167
381:04 - 381:07	<b>Morrill, Donn 2022-08-11</b> 381:04 Q. Do you see in the screen 381:05 capture there is a message that appears	00:00:09	Morrill.168

## Morrill

DESIGNATION	SOURCE	DURATION	ID
	381:06 at the bottom of it?		
	381:07 A. I do.		
383:11 - 383:15	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.169
	383:11 Q. So in both cases, both on		
	383:12 Android and on FireOS, the message states		
	383:13 that the user's tablet and personal data		
	383:14 are more vulnerable to attack. Do I have		
	383:15 that correct?		
383:20 - 383:21	<b>Morrill, Donn 2022-08-11</b>	00:00:02	Morrill.170
	383:20 A. You have that correct. That's		
	383:21 what it says.		
385:03 - 385:05	<b>Morrill, Donn 2022-08-11</b>	00:00:05	Morrill.171
	385:03 Q. I'm asking if Amazon		
	385:04 specifically allowlisted the Google Play		
	385:05 Store?		
385:10 - 385:12	<b>Morrill, Donn 2022-08-11</b>	00:00:10	Morrill.172
	385:10 A. Not to my knowledge, no.		
	385:11 Q. To your knowledge, has FireOS		
	385:12 allowlisted any other Android Appstore?		
385:17 - 385:20	<b>Morrill, Donn 2022-08-11</b>	00:00:12	Morrill.173
	385:17 A. You'll forgive me, I'm trying		
	385:18 to iterate through my head the different		
	385:19 variants of FireOS. To the best of my		
	385:20 knowledge, no.		
488:18 - 488:21	<b>Morrill, Donn 2022-08-11</b>	00:00:09	Morrill.174
	488:18 Do you recall giving testimony		
	488:19 earlier about the need to look upstream		
	488:20 to determine whether app stores compete		
	488:21 with one another?		
488:24 - 489:01	<b>Morrill, Donn 2022-08-11</b>	00:00:02	Morrill.175
	488:24 A. I recall roughly that		
	488:25 language, yes.		
	489:01		
489:02 - 489:02	<b>Morrill, Donn 2022-08-11</b>	00:00:03	Morrill.176
	489:02 Q. What did you mean by that?		
489:04 - 489:20	<b>Morrill, Donn 2022-08-11</b>	00:00:57	Morrill.177
	489:04 A. What I meant was if a consumer		

**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	<p>489:05 decides to purchase an Apple phone that</p> <p>489:06 runs iOS, full stop right there, Amazon</p> <p>489:07 Appstore is not going to compete, be able</p> <p>489:08 to compete on that device anymore. Amazon</p> <p>489:09 Appstore simply does not run on the iOS</p> <p>489:10 store. And so from the pure perspective</p> <p>489:11 of the functionality of an app store, the</p> <p>489:12 Apple App Store does many of the same</p> <p>489:13 things that the Amazon Appstore does in</p> <p>489:14 terms of vending apps and facilitating</p> <p>489:15 transactions. But there are consumer</p> <p>489:16 choices that are made upstream or ahead</p> <p>489:17 of time that would preclude direct</p> <p>489:18 competition with Amazon Appstore as even</p> <p>489:19 an option once the consumer has made the</p> <p>489:20 decision to purchase an Apple device.</p>		
489:21 - 490:06	<b>Morrill, Donn 2022-08-11</b>	00:00:29	Morrill.178
	<p>489:21 Q. And would it also be fair to</p> <p>489:22 say that given the fact that Google Play</p> <p>489:23 Store is preloaded on all</p> <p>489:24 Android-compatible devices while the</p> <p>489:25 Amazon Appstore needs to be sideloaded on</p> <p>490:01</p> <p>490:02 Android-compatible devices, that it's</p> <p>490:03 fairly infrequent that the Google Play</p> <p>490:04 Store and the Amazon Appstore would be in</p> <p>490:05 direct competition with one another on a</p> <p>490:06 single user's device?</p>		
490:10 - 490:23	<b>Morrill, Donn 2022-08-11</b>	00:00:43	Morrill.179
	<p>490:10 A. Once the consumer makes the</p> <p>490:11 decision to purchase a Google Android</p> <p>490:12 device with the Google Services installed</p> <p>490:13 on them, then as we -- we learned</p> <p>490:14 throughout the course of the day, the</p> <p>490:15 consumers are much less likely to load</p> <p>490:16 the Amazon Appstore onto those devices.</p> <p>490:17 Again, the functionality of the Appstore</p> <p>490:18 proper, it is similar, it gives and takes</p> <p>490:19 on some of the features that we</p> <p>490:20 discussed. The Appstore proper</p>		



**Morrill**

DESIGNATION	SOURCE	DURATION	ID
	490:21 functionality is similar, but there are		
	490:22 challenges in getting the Appstore on the		
	490:23 device.		
492:07 - 492:10	<b>Morrill, Donn 2022-08-11</b>	00:00:08	Morrill.180
	492:07 Q. And you would agree that the		
	492:08 Amazon Appstore and the Google Play Store		
	492:09 are each competing to attract		
	492:10 high-spending gamers, correct?		
492:14 - 492:20	<b>Morrill, Donn 2022-08-11</b>	00:00:20	Morrill.181
	492:14 A. One audience of our Appstore,		
	492:15 our third-party Appstore is high-spending		
	492:16 gamers. I don't have any documents that		
	492:17 say that is Google's strategy. But it		
	492:18 seems to be a sound statement that Google		
	492:19 would want to attract high-spending		
	492:20 gamers.		

Designation	00:52:15
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<b>TOTAL RUN TIME</b>	<b>00:52:15</b>
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## **Deposition Designations of Sandra Alzetta**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
5:15 - 5:18	<b>Alzetta, Sandra 2022-09-29</b> 5:15 SANDRA ALZETTA, the 5:16 Witness herein, having first been duly 5:17 sworn by the Notary Public, was examined 5:18 and testified as follows:	00:00:10	Alzetta.1
15:23 - 16:08	<b>Alzetta, Sandra 2022-09-29</b> 15:23 Q. Are you currently employed? 15:24 A. Yes. 15:25 Q. Where? 16:01 16:02 A. By Spotify. 16:03 Q. And what's your title? 16:04 A. I am vice president of 16:05 payments. 16:06 Q. And how long have you been 16:07 employed by Spotify? 16:08 A. Since January of 2019.	00:00:18	Alzetta.2
19:17 - 20:04	<b>Alzetta, Sandra 2022-09-29</b> 19:17 Q. And what is the global head of 19:18 payments at Spotify? 19:19 A. What does she do? 19:20 Q. Yes. 19:21 A. I look after managing today's 19:22 business. So making sure it's working 19:23 the way we would want to it to work, and 19:24 figuring out what we should be doing in 19:25 the future as Spotify develops, you know, 20:01 20:02 what are the payment methods that we need 20:03 to pursue, what should our strategy be 20:04 with regard to payments.	00:00:27	Alzetta.3
21:11 - 21:12	<b>Alzetta, Sandra 2022-09-29</b> 21:11 Q. And does Spotify have an app? 21:12 A. Spotify does have an app.	00:00:07	Alzetta.4
21:21 - 21:23	<b>Alzetta, Sandra 2022-09-29</b> 21:21 Q. And is Spotify's app available 21:22 on mobile devices? 21:23 A. It is.	00:00:05	Alzetta.5
27:15 - 27:17	<b>Alzetta, Sandra 2022-09-29</b>	00:00:04	Alzetta.6

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	27:15 Q. Did Google ever inform Spotify 27:16 that its payment policies were being 27:17 updated?		Alzetta.6
27:19 - 27:19	<b>Alzetta, Sandra 2022-09-29</b> 27:19 A. Yes.	00:00:01	Alzetta.7
27:20 - 28:17	<b>Alzetta, Sandra 2022-09-29</b> 27:20 Q. When did Spotify become aware 27:21 of the planned update to Google's payment 27:22 policy? 27:23 A. In fall of 2019 Google 27:24 contacted us to say they were making some 27:25 changes. They wanted to ensure universal 28:01 28:02 usage of Google Play Billing. 28:03 Q. At the time Google approached 28:04 Spotify about the update to Google's 28:05 payment policies in 2020, did they 28:06 propose coming to an agreement with 28:07 Spotify? 28:08 A. They said that they wanted to 28:09 work with us. They knew that we didn't 28:10 like Play Billing as it was, and they 28:11 were interested in working with us to 28:12 find a way that we could be excited about 28:13 the use of Play Billing. 28:14 Q. And when did these negotiations 28:15 begin? 28:16 A. The first conversations that we 28:17 kicked off were December 2019.	00:00:54	Alzetta.8
32:02 - 32:17	<b>Alzetta, Sandra 2022-09-29</b> 32:02 Q. And we were discussing earlier 32:03 that you had been central in negotiating 32:04 an agreement with Google. Was that a 32:05 choice-in-billing agreement? 32:06 A. Was that a User Choice Billing 32:07 agreement? 32:08 Q. Yes. 32:09 A. Yes. That was the agreement 32:10 that we came to. 32:11 Q. At a high level, what did the	00:00:37	Alzetta.9

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
	32:12 User Choice Billing agreement provide to 32:13 Spotify? 32:14 A. It provided to Spotify the 32:15 ability for the user to choose the kind 32:16 of payment method they want. So it adds 32:17 an additional dimension to user choice.		
33:12 - 33:20	<b>Alzetta, Sandra 2022-09-29</b> 33:12 Q. In your negotiations with 33:13 Google while at Spotify, what did your 33:14 role involve? 33:15 A. It involved working with them 33:16 to find a checkout solution that worked 33:17 for both parties and, from our 33:18 perspective and our principles and 33:19 commercial framework, that we felt gave 33:20 us the value that we were looking for.	00:00:22	Alzetta.10
33:21 - 33:23	<b>Alzetta, Sandra 2022-09-29</b> 33:21 Q. And did you lead any meetings 33:22 between Spotify and Google? 33:23 A. Yes.	00:00:05	Alzetta.11
42:10 - 42:14	<b>Alzetta, Sandra 2022-09-29</b> 42:10 Q. In terms of the User Choice 42:11 Billing agreement, did Spotify pay Google 42:12 a commission for subscription purchases 42:13 in the Spotify app downloaded from Google 42:14 Play?	00:00:10	Alzetta.12
42:20 - 43:03	<b>Alzetta, Sandra 2022-09-29</b> 42:20 A. So if a user chooses to use 42:21 Spotify for its payment method, there is 42:22 no fee paid to Google. 42:23 If the user chooses to use Play 42:24 Billing as a payment method, then we will 42:25 pay a commission to Google, which will be 43:01 43:02 an amount to cover the third-party cost 43:03 they will suffer for that transaction.	00:00:26	Alzetta.13
43:24 - 44:03	<b>Alzetta, Sandra 2022-09-29</b> 43:24 Q. And could that result in a 43:25 Spotify payment commission of below 4	00:00:06	Alzetta.14

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	44:01		
	44:02 percent?		
	44:03 A. Yes.		
44:04 - 44:10	<b>Alzetta, Sandra 2022-09-29</b>	00:00:13	Alzetta.15
	44:04 Q. Focusing just on Google's		
	44:05 commission for subscriptions purchased		
	44:06 through the Play Store with Google Play		
	44:07 Billing, how did Spotify's agreement with		
	44:08 Google differ from the baseline		
	44:09 commissions that Google was offering to		
	44:10 other developers?		
44:13 - 44:15	<b>Alzetta, Sandra 2022-09-29</b>	00:00:11	Alzetta.16
	44:13 A. It's actually a different		
	44:14 contract. We're paying them -- we're		
	44:15 covering their third-party payment fees.		
45:18 - 45:25	<b>Alzetta, Sandra 2022-09-29</b>	00:00:21	Alzetta.17
	45:18 Q. Understanding that there are		
	45:19 other components to this agreement that		
	45:20 may change how this compares to other		
	45:21 agreements that developers have with		
	45:22 Google, do you have an understanding of		
	45:23 what the commission for those developers		
	45:24 would be just for Google's Google Play		
	45:25 Billing?		
46:04 - 46:05	<b>Alzetta, Sandra 2022-09-29</b>	00:00:04	Alzetta.18
	46:04 A. I am aware of Google's		
	46:05 published rates.		
46:06 - 46:10	<b>Alzetta, Sandra 2022-09-29</b>	00:00:10	Alzetta.19
	46:06 Q. And could you tell me what		
	46:07 those published rates were or are?		
	46:08 A. For a media entertainment		
	46:09 company it would be 10 percent, that		
	46:10 share.		
46:11 - 46:11	<b>Alzetta, Sandra 2022-09-29</b>	00:00:01	Alzetta.20
	46:11 MR. ALTEBRANDO: I am now		
46:12 - 46:12	<b>Alzetta, Sandra 2022-09-29</b>	00:00:01	Alzetta.21
	46:12 marking Exhibit 1532		
46:19 - 47:04	<b>Alzetta, Sandra 2022-09-29</b>	00:00:28	Alzetta.22

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	46:19 Q. And this document is titled		Alzetta.22
	46:20 "Spotify-Google Play Better Together		
	46:21 Program Partnership ('Program') addendum		
	46:22 to the Google Play Developer Distribution		
	46:23 Agreement," and it has an effective date		
	46:24 of June 10th, 2022.		
	46:25 Let me know when you have that		
	47:01		
	47:02 open.		
	47:03 A. I have it open.		
	47:04 Q. Do you recognize this document?		
47:05 - 47:10	<b>Alzetta, Sandra 2022-09-29</b>	00:00:21	Alzetta.23
	47:05 A. I do.		
	47:06 Q. What is it?		
	47:07 A. It's the contract that Google		
	47:08 and Spotify signed in, yeah, the 10th of		
	47:09 June 2022 with regard to our agreement on		
	47:10 User Choice Billing.		
49:23 - 50:22	<b>Alzetta, Sandra 2022-09-29</b>	00:00:50	Alzetta.24
	49:23 Q. If we go down to program		
	49:24 overview, there is a subject 2.1 (c); do		
	49:25 you see that?		
	50:01		
	50:02 A. I do.		
	50:03 Q. And this says, "Spotify		
	50:04 continues to advocate for platform		
	50:05 fairness and expanded payment options,		
	50:06 among other things, because fair and open		
	50:07 platforms enable better consumer		
	50:08 experiences and allow developers to grow		
	50:09 and thrive including via the program with		
	50:10 Google Play."		
	50:11 Did I read that correctly?		
	50:12 A. Yes.		
	50:13 Q. And this a fair statement?		
	50:14 A. Yes.		
	50:15 Q. How does Spotify advocate for		
	50:16 platform fairness and expanded payment		
	50:17 options?		
	50:18 A. How do we do it? It's		

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
	50:19 something we believe passionately. We		
	50:20 talk about it. We've formed a coalition		
	50:21 with other app developers and we continue		
	50:22 to pursue this.		
50:25 - 51:08	<b>Alzetta, Sandra 2022-09-29</b>	00:00:13	Alzetta.25
	50:25 Q. And what is the name of the		
	51:01		
	51:02 coalition that you are a part of?		
	51:03 A. It's the Coalition for App		
	51:04 Fairness.		
	51:05 Q. And what is Spotify's role in		
	51:06 that coalition?		
	51:07 A. We're one of the founding		
	51:08 members.		
51:09 - 51:12	<b>Alzetta, Sandra 2022-09-29</b>	00:00:07	Alzetta.26
	51:09 Q. So just going back to the		
	51:10 section we had just looked at, how do		
	51:11 fair and open platforms enable a better		
	51:12 consumer experience?		
51:15 - 52:08	<b>Alzetta, Sandra 2022-09-29</b>	00:00:51	Alzetta.27
	51:15 A. Giving consumers choice is		
	51:16 important to us. If you give consumers		
	51:17 choice, from our perspective, it expands		
	51:18 an accessible market. It means that if		
	51:19 we have choice to consumers so they can		
	51:20 choose the payment method of their		
	51:21 preference, then that's going to result		
	51:22 in increased conversion, we know that.		
	51:23 It also includes -- it also helps us with		
	51:24 inclusivity, if we are giving choice. So		
	51:25 that matters a lot to us.		
	52:01		
	52:02 We also want to make sure that		
	52:03 when we're paying for the service, we're		
	52:04 paying a fair and reasonable price for		
	52:05 that service and it's, you know, an		
	52:06 appropriate value exchange. That matters		
	52:07 to us and I would say matters to our		
	52:08 users as well.		



## Alzetta

DESIGNATION	SOURCE	DURATION	ID
70:05 - 70:08	<b>Alzetta, Sandra 2022-09-29</b>	00:00:14	Alzetta.28
70:05	Q. Going back up to the page		
70:06	ending in 117, two pages up, you see		
70:07	Section 2.2, Program Components; do you		
70:08	see that?		
70:24 - 71:13	<b>Alzetta, Sandra 2022-09-29</b>	00:00:28	Alzetta.29
70:24	Q. And this says, "Program Fees		
70:25	For Providing Google Play's Billing		
71:01			
71:02	System Services. Because of the		
71:03	distinguished partnership structure and		
71:04	value exchanges under Sections 2.2 (a)		
71:05	and 2.2 (b) above, the parties agree to a		
71:06	new fee structure as defined in Section 3		
71:07	(Program Fees). The Program Fees are		
71:08	payable on account of Google Play's		
71:09	billing system services being provided by		
71:10	Google to developer for enabling its		
71:11	users to pay for the purchases of		
71:12	relevant products."		
71:13	Is this a true statement?		
71:15 - 71:15	<b>Alzetta, Sandra 2022-09-29</b>	00:00:02	Alzetta.30
71:15	A. Yes.		
71:18 - 72:01	<b>Alzetta, Sandra 2022-09-29</b>	00:00:16	Alzetta.31
71:18	It says here that "Program fees		
71:19	are payable on account of Google Play's		
71:20	billing system services."		
71:21	Do you see that?		
71:22	A. I do.		
71:23	Q. Does the agreement say Spotify		
71:24	pays Google program fees on account of		
71:25	Google Play distribution, generally?		
72:01			
72:03 - 72:11	<b>Alzetta, Sandra 2022-09-29</b>	00:00:21	Alzetta.32
72:03	A. No. What it says is that		
72:04	program fees are payable on account of		
72:05	Google Play's billing system services		
72:06	being provided by Google to developer for		
72:07	enabling its user to pay for the purchase		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	72:08 of relevant products.		
	72:09 Q. And are there any fees		
	72:10 associated with Google Play distribution,		
	72:11 generally?		
72:13 - 72:21	<b>Alzetta, Sandra 2022-09-29</b>	00:00:26	Alzetta.33
	72:13 A. No. So the overall deal takes		
	72:14 into account a number of items. It takes		
	72:15 into account the checkout. And that's		
	72:16 where we pay no fees for a Spotify		
	72:17 processed transaction. We do pay fees		
	72:18 for a Google processed transaction. It		
	72:19 comprises also some commitments with		
	72:20 regard to product. And there is also a		
	72:21 marketing success fund.		
81:17 - 81:18	<b>Alzetta, Sandra 2022-09-29</b>	00:00:06	Alzetta.34
	81:17 Q. Okay. And if we can jump down		
	81:18 to the page ending in Bates 137, Exhibit C.		
81:19 - 81:20	<b>Alzetta, Sandra 2022-09-29</b>	00:00:04	Alzetta.35
	81:19 And this is an exhibit titled "User		
	81:20 Choice Billing Screen Specifications."		
82:03 - 84:24	<b>Alzetta, Sandra 2022-09-29</b>	00:02:47	Alzetta.36
	82:03 Q. And under Choice Screen it		
	82:04 says, "This program between developer and		
	82:05 Google is intended to advance the overall		
	82:06 Play/Android ecosystem while ensuring		
	82:07 users have a trusted, seamless		
	82:08 experience."		
	82:09 Do you see that?		
	82:10 A. I do.		
	82:11 Q. Is this a true statement?		
	82:12 A. Yes.		
	82:13 Q. And then the second sentence		
	82:14 says, "It recognizes that the ecosystem		
	82:15 is diverse with many different types of		
	82:16 business models, industry focuses and		
	82:17 global scale of developers; one size does		
	82:18 not fit all and that in collaboration		
	82:19 with our partners, we can		
	82:20 innovate-defining and offering features		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
82:21	that are tailored to more sophisticated		
82:22	developers who have different		
82:23	capabilities and needs than Play's		
82:24	broader developer community and who are		
82:25	making an important contribution to		
83:01			
83:02	Play/Android ecosystem for users."		
83:03	Do you see that?		
83:04	A. I do.		
83:05	Q. In the context of these		
83:06	negotiations, what do you take this		
83:07	paragraph to mean?		
83:08	A. I would take it to mean that		
83:09	Google was looking to bring in		
83:10	consistency, recognizing that they have		
83:11	different needs from their developers.		
83:12	So offering to Spotify one single Google		
83:13	Play billing in-app ecosystem would not		
83:14	work for us. It wouldn't meet our needs		
83:15	at all.		
83:16	We're a sophisticated		
83:17	developer, today, we are in 183 markets,		
83:18	we have got 25 different payment		
83:19	partners, we handle over 40 currencies.		
83:20	We've worked incredibly hard to build our		
83:21	realtime fraud management system. We		
83:22	accept, I think, at last count it was 130		
83:23	different forms of payments. So for us,		
83:24	payments matter enormously. And we're		
83:25	simply not going to hand over our		
84:01			
84:02	payments business to one single entity.		
84:03	And that's the only, you know, exclusive		
84:04	payment method for them.		
84:05	And I think they understood		
84:06	that, because they came to us and said		
84:07	they wanted to understand better our		
84:08	issues and find something that worked for		
84:09	us.		
84:10	They also know that we are a		
84:11	sophisticated developer and we have a		

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
	84:12 brand that is much loved and adds value		
	84:13 to the ecosystem. So I think it was		
	84:14 merely a recognition that that is very		
	84:15 different than a small-scale developer		
	84:16 where actually it could be incredibly		
	84:17 helpful to know that there is a billing		
	84:18 system when a user wants to buy		
	84:19 something, it's a one-stop shop and it		
	84:20 can be handled by a third party.		
	84:21 So these are incredibly		
	84:22 different needs and that would be		
	84:23 reflecting the recognition of those		
	84:24 different needs.		
85:02 - 85:09	<b>Alzetta, Sandra 2022-09-29</b>	00:00:15	Alzetta.37
	85:02 Are there billing features --		
	85:03 and I understand what you're saying at a		
	85:04 high level -- but are there billing		
	85:05 features that Spotify needs that are not		
	85:06 addressed by Google Play billing,		
	85:07 understanding that Spotify is a large		
	85:08 sophisticated developer with a complex		
	85:09 payment system?		
85:11 - 86:11	<b>Alzetta, Sandra 2022-09-29</b>	00:01:08	Alzetta.38
	85:11 A. So from our perspective, we		
	85:12 would never want to have an exclusive		
	85:13 form of payment. That just wouldn't work		
	85:14 for us. We don't like exclusive anything		
	85:15 when it comes to payments. You know, we		
	85:16 have spent a lot of time building out our		
	85:17 platform, so that we don't have		
	85:18 dependency on single processes, for		
	85:19 example. And finding ourselves in a		
	85:20 situation where we had only one form of		
	85:21 payment wouldn't be acceptable to us.		
	85:22 It's not good from a performance		
	85:23 perspective. It's not good from a crash		
	85:24 perspective. If one system is down,		
	85:25 then, you know, on a Google basis, we can		
	86:01		
	86:02 find ourselves for an incredibly		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	86:03 important acquisition channel, unable to		
	86:04 accept payment. So, you know, the		
	86:05 concept of having an exclusive checkout		
	86:06 with one single provider doesn't work for		
	86:07 us. And also we got very clear		
	86:08 principles in terms of how we want		
	86:09 payments to work, and having Play billing		
	86:10 exclusively as our checkout would not		
	86:11 meet those requirements.		
94:16 - 94:17	<b>Alzetta, Sandra 2022-09-29</b>	00:00:04	Alzetta.39
	94:16 Q. And why is, why is choice		
	94:17 important for users?		
94:20 - 95:16	<b>Alzetta, Sandra 2022-09-29</b>	00:01:04	Alzetta.40
	94:20 A. Not everybody has a standard		
	94:21 Visa or MasterCard credit or debit card.		
	94:22 You know, it's important for users to be		
	94:23 able to choose themselves how they want		
	94:24 to pay. And oftentimes, that will		
	94:25 actually make or break a decision as to		
	95:01		
	95:02 whether they want to join Spotify or not.		
	95:03 So one is actually expanding our		
	95:04 accessible market. If we only offer a		
	95:05 limited choice of payment methods, then		
	95:06 we are excluding oftentimes, very large		
	95:07 tranches of users. Even if it's a small		
	95:08 tranche, if we think it makes sense, then		
	95:09 we will open up a payment method. From		
	95:10 our perspective, also, it means that we		
	95:11 are able to choose at times how we want		
	95:12 to bill transactions in the U.S., whether		
	95:13 it's a debit card or a PINless debit. So		
	95:14 choice matters to us. It's really		
	95:15 fundamental to how we work with our		
	95:16 users.		
97:22 - 97:24	<b>Alzetta, Sandra 2022-09-29</b>	00:00:05	Alzetta.41
	97:22 What were some of the reasons		
	97:23 why Spotify felt it should continue to		
	97:24 use its own billing solution?		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
98:02 - 99:02	<b>Alzetta, Sandra 2022-09-29</b>	00:01:08	Alzetta.42
98:02	A. Because we have invested		
98:03	significantly in our billing solution.		
98:04	We think it works very well. We think --		
98:05	we've invested hard to make sure that its		
98:06	performance is high. That's in terms of		
98:07	the organization, it's when users join		
98:08	us. It's in terms of churn, that's when		
98:09	we have existing users and they continue		
98:10	paying on a monthly basis. We worked		
98:11	very hard on our fraud, to make sure		
98:12	we're not declining good users and we're		
98:13	not letting the bad guys in. We've		
98:14	worked hard to build out a way that are		
98:15	ideal forms of payments that we think		
98:16	appeal to our users. And we worked very		
98:17	hard to get good commercial terms in		
98:18	place with our third parties, because		
98:19	those margins matter enormously. We are		
98:20	a very thin margin business. And for us,		
98:21	shaving off a few basis points matters a		
98:22	lot.		
98:23	So with that in mind we think		
98:24	we have a really robust payment system,		
98:25	and it matters to us that we are able to		
99:01			
99:02	continue offering it.		
99:10 - 100:09	<b>Alzetta, Sandra 2022-09-29</b>	00:01:06	Alzetta.43
99:10	Q. Did Spotify ever calculate what		
99:11	the impact would be on its business, if		
99:12	Spotify was required to only use Google		
99:13	Play billing?		
99:14	A. That wasn't an option that we		
99:15	were ever going to pursue in the		
99:16	negotiations that we were, you know,		
99:17	taking out. We looked at it in the past.		
99:18	So way back I know in 2013 when		
99:19	we were first looking at whether we		
99:20	wanted to introduce Play billing. It was		
99:21	something that the team were considering.		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	99:22 But, you know, in the negotiations from		
	99:23 2019 to 2022, it just wasn't something		
	99:24 that we considered. Strategically, that		
	99:25 just wouldn't work for us. Play billing,		
	100:01		
	100:02 on its own, doesn't meet our key		
	100:03 principles and it's just not something		
	100:04 that we would do.		
	100:05 Q. So going back to a topic that		
	100:06 we had that's related that we were		
	100:07 discussing earlier, what is the effective		
	100:08 costs to Spotify when a user selects the		
	100:09 Spotify billing solution?		
100:11 - 100:17	<b>Alzetta, Sandra 2022-09-29</b>	00:00:15	Alzetta.44
	100:11 A. Do you mean what are the		
	100:12 third-party fees we pay?		
	100:13 Q. Yes.		
	100:14 A. Thank you. It obviously		
	100:15 varies. On aggregate, on a global basis,		
	100:16 it's between two-and-a-half and 3		
	100:17 percent.		
101:14 - 101:24	<b>Alzetta, Sandra 2022-09-29</b>	00:00:28	Alzetta.45
	101:14 Q. You mentioned that Spotify has		
	101:15 third-party costs associated with payment		
	101:16 processing.		
	101:17 Who are the payment processors		
	101:18 that Spotify relies on in the U.S.		
	101:19 primarily?		
	101:20 A. In the U.S. In the U.S., we		
	101:21 work with Adyen as a payment processor.		
	101:22 We work with J.P. Morgan Chase. We		
	101:23 worked with Braintree which is part of		
	101:24 the PayPal family.		
107:04 - 107:06	<b>Alzetta, Sandra 2022-09-29</b>	00:00:06	Alzetta.46
	107:04 Q. And if you were to pay Google a		
	107:05 commission of 30 percent, how would that		
	107:06 have impacted Spotify's business?		
107:12 - 107:22	<b>Alzetta, Sandra 2022-09-29</b>	00:00:36	Alzetta.47
	107:12 A. Spotify runs a very tight		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	107:13 business. Our gross margin, as you can		
	107:14 see, you know, shows that very clearly.		
	107:15 We could not pay 30 percent commission.		
	107:16 It's just -- we need to run a sustainable		
	107:17 business, and that would not be possible		
	107:18 for the type of business that we have		
	107:19 doesn't allow for that.		
	107:20 Q. Did Spotify ever calculate what		
	107:21 its losses would potentially be if it was		
	107:22 charged a 30 percent commission?		
108:02 - 108:07	<b>Alzetta, Sandra 2022-09-29</b>	00:00:17	Alzetta.48
	108:02 A. So we are not going to pay a		
	108:03 commission of 30 percent. Our business		
	108:04 does not allow for that. It doesn't meet		
	108:05 our principles. Strategically, it's not		
	108:06 something that we're going to do. This		
	108:07 is just not going to happen.		
112:17 - 113:11	<b>Alzetta, Sandra 2022-09-29</b>	00:01:05	Alzetta.49
	112:17 Q. And you mentioned the phrase		
	112:18 "Spotify's key principles" several times		
	112:19 today.		
	112:20 Can you tell me a little bit		
	112:21 about what Spotify's key principles are?		
	112:22 A. Yes. The requirements that we		
	112:23 have for any payment method that we		
	112:24 worked with. So here what we were		
	112:25 looking for was the ability to		
	113:01		
	113:02 communicate directly to our users' data		
	113:03 perspective. Only wanting to share data		
	113:04 that we have to share on a necessary		
	113:05 basis and having access to data about our		
	113:06 users. The ability to decide which		
	113:07 payment methods we make available to our		
	113:08 customers. The ability to propose		
	113:09 products and pricing to our customers as		
	113:10 we wish to and on fair value. So making		
	113:11 sure that we have fair value exchange.		
123:14 - 123:14	<b>Alzetta, Sandra 2022-09-29</b>	00:00:02	Alzetta.50
	123:14 MR. ALTEBRANDO: I am going to introduce		



**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
123:15 - 123:15	<b>Alzetta, Sandra 2022-09-29</b> 123:15 Exhibit 2062.	00:00:04	Alzetta.51
124:04 - 124:05	<b>Alzetta, Sandra 2022-09-29</b> 124:04 Q. Do you recognize this document? 124:05 A. I do.	00:00:04	Alzetta.52
128:18 - 129:13	<b>Alzetta, Sandra 2022-09-29</b> 128:18 Q. And just so the record is 128:19 clear, what was the commission that Apple 128:20 charged Spotify to use Apple's in-app 128:21 purchase payment solution? 128:22 A. It was 30 percent. 128:23 Q. And ultimately, you had 128:24 mentioned that Spotify pivoted to a 128:25 consumption-only model on the iOS 129:01 129:02 devices; is that correct? 129:03 A. We did, we did it in 2016. 129:04 Q. What does consumption-only 129:05 mean? 129:06 A. In this case, I am using it to 129:07 mean that we have an app and it's not 129:08 possible to actually make a purchase in 129:09 that app. 129:10 Q. And today is the Spotify app on 129:11 the Apple App Store offered 129:12 consumption-only? 129:13 A. It is.	00:00:48	Alzetta.53
129:14 - 129:19	<b>Alzetta, Sandra 2022-09-29</b> 129:14 Q. If Spotify had to pay a 129:15 commission on the Google Play Store for 129:16 subscription purchases similar to what it 129:17 would have to pay Apple on the Apple App 129:18 Store, would Spotify offer its app 129:19 consumption-only on Google Play?	00:00:12	Alzetta.54
129:22 - 130:08	<b>Alzetta, Sandra 2022-09-29</b> 129:22 A. We've always been clear that we 129:23 are in the margin business. We cannot 129:24 pay those kind of fees and we don't think 129:25 they are fair. And furthermore, not only	00:00:31	Alzetta.55

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	130:01		
	130:02 do we object to the fees, we object to		
	130:03 the fact that it doesn't meet our		
	130:04 principles, as we discussed earlier.		
	130:05 Q. Would a consumption-only		
	130:06 Spotify app be better for Spotify users		
	130:07 or worse as compared to a version where		
	130:08 users can subscribe in-app?		
130:10 - 130:22	<b>Alzetta, Sandra 2022-09-29</b>	00:00:39	Alzetta.56
	130:10 A. Well, it's a difficult question		
	130:11 to answer because there is so many		
	130:12 elements to look at here. So what		
	130:13 happened with those when we accepted		
	130:14 Apple, Apple's in-app payment solution at		
	130:15 30 percent rev share on a business that's		
	130:16 got a gross margin as we've discussed		
	130:17 earlier, is -- had to increase our prices		
	130:18 to consumers. We had to increase them		
	130:19 significantly. That is not a good thing		
	130:20 for a consumer. And it doesn't give		
	130:21 consumer choice, which matters to us a		
	130:22 lot.		
134:16 - 135:05	<b>Alzetta, Sandra 2022-09-29</b>	00:00:32	Alzetta.57
	134:16 Just for the sake of		
	134:17 efficiency, let's leave Exhibit 2062 in		
	134:18 front of you for the moment.		
	134:19 Do you have that document in		
	134:20 front of you?		
	134:21 A. That's the one I was just		
	134:22 looking at? One second. Let me just		
	134:23 check. Yes.		
	134:24 Q. And on the left-hand column, on		
	134:25 Exhibit 2062, we see four different		
	135:01		
	135:02 companies listed here: PayPal Wallet,		
	135:03 Worldline/JPM, Braintree and Adyen.		
	135:04 Do you see that?		
	135:05 A. I do.		
135:16 - 136:04	<b>Alzetta, Sandra 2022-09-29</b>	00:00:44	Alzetta.58
	135:16 Are the four payment processors		

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	135:17 listed on 2062 the only four payment		
	135:18 processors that Spotify uses for U.S.		
	135:19 customers today?		
	135:20 A. I believe, I believe they are.		
	135:21 Q. Do any of these payment		
	135:22 processors provide services to Spotify		
	135:23 such as app distribution?		
	135:24 A. No.		
	135:25 Q. Do any of the payment		
	136:01		
	136:02 processors listed in 2062 provide support		
	136:03 that assists Spotify with distributing		
	136:04 product updates to existing customers?		
136:08 - 136:08	<b>Alzetta, Sandra 2022-09-29</b>	00:00:01	Alzetta.59
	136:08 A. No.		
136:09 - 136:13	<b>Alzetta, Sandra 2022-09-29</b>	00:00:19	Alzetta.60
	136:09 Q. Do any of the payment		
	136:10 processors listed in Exhibit 2062 provide		
	136:11 technical or other similar support to		
	136:12 Spotify when it comes to the design or		
	136:13 distribution to their app?		
136:16 - 136:16	<b>Alzetta, Sandra 2022-09-29</b>	00:00:02	Alzetta.61
	136:16 A. No.		
136:17 - 136:21	<b>Alzetta, Sandra 2022-09-29</b>	00:00:13	Alzetta.62
	136:17 Q. Earlier you were shown what was		
	136:18 marked as Exhibit 2060, which reflected		
	136:19 that Spotify has margins somewhere just		
	136:20 below 30 percent; do you recall that?		
	136:21 A. I do.		
137:03 - 137:06	<b>Alzetta, Sandra 2022-09-29</b>	00:00:10	Alzetta.63
	137:03 Q. Do you know what Google's		
	137:04 typical commission is today for		
	137:05 subscription services processed through		
	137:06 Google Play Billing?		
137:08 - 137:09	<b>Alzetta, Sandra 2022-09-29</b>	00:00:03	Alzetta.64
	137:08 A. I do.		
	137:09 Q. And what is it?		
137:17 - 138:10	<b>Alzetta, Sandra 2022-09-29</b>	00:00:53	Alzetta.65

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
	<p>137:17 A. I believe it's 15 percent for</p> <p>137:18 developers and those who qualify,</p> <p>137:19 subscription developers. Those who</p> <p>137:20 qualify for the media entertainment</p> <p>137:21 program, I believe it can be 10 percent.</p> <p>137:22 Q. And has Google ever required</p> <p>137:23 Spotify to pay a 30 percent commission?</p> <p>137:24 A. We have never been forced by</p> <p>137:25 Google to accept Play Billing. The first</p> <p>138:01</p> <p>138:02 time that we understood that this was</p> <p>138:03 something that they were planning to</p> <p>138:04 enforce was the conversation that kicked</p> <p>138:05 off in December of 2019.</p> <p>138:06 Q. And circling back for a moment</p> <p>138:07 to this concept of consumption-only, do</p> <p>138:08 you recall being questioned briefly about</p> <p>138:09 consumption-only?</p> <p>138:10 A. I do.</p>		Alzetta.65
138:13 - 138:18	<p><b>Alzetta, Sandra 2022-09-29</b></p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	00:00:17	Alzetta.66
138:21 - 139:02	<p><b>Alzetta, Sandra 2022-09-29</b></p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	00:00:12	Alzetta.67
150:18 - 150:21	<p><b>Alzetta, Sandra 2022-09-29</b></p> <p>150:18 Q. Does Spotify offer</p> <p>150:19 subscriptions to users through its</p> <p>150:20 website today?</p> <p>150:21 A. Yes.</p>	00:00:06	Alzetta.68

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
150:22 - 151:03	<b>Alzetta, Sandra 2022-09-29</b> 150:22 Q. And can a user of an Android 150:23 cellular phone subscribe to Spotify on 150:24 the Spotify website and then download the 150:25 app from Google Play and use their 151:01 151:02 subscription on their Android mobile 151:03 device?	00:00:21	Alzetta.69
151:05 - 151:07	<b>Alzetta, Sandra 2022-09-29</b> 151:05 A. They can. But I think it is [REDACTED] [REDACTED]	00:00:06	Alzetta.70
151:08 - 151:09	<b>Alzetta, Sandra 2022-09-29</b> 151:08 without question the preferred form of 151:09 consumption.	00:00:05	Alzetta.71
160:22 - 161:15	<b>Alzetta, Sandra 2022-09-29</b> 160:22 Q. So I want to ask some questions 160:23 about the other types of use cases that 160:24 Spotify supports; does that make sense? 160:25 A. Sure. 161:01 161:02 Q. Is Spotify available on 161:03 desktops? 161:04 A. Yes. 161:05 Q. Is it available on non-Android 161:06 tablets? 161:07 A. Yes. 161:08 Q. Is it available on integrated 161:09 automotive audio devices, like car 161:10 stereos? 161:11 A. Yes. 161:12 Q. And does Spotify have 161:13 relationships with auto manufacturers to 161:14 distribute Spotify in integrated 161:15 automotive devices like car stereos?	00:00:43	Alzetta.72
161:18 - 161:18	<b>Alzetta, Sandra 2022-09-29</b> 161:18 A. I believe we do.	00:00:02	Alzetta.73
161:19 - 162:03	<b>Alzetta, Sandra 2022-09-29</b> 161:19 Q. Is Spotify available on game	00:00:20	Alzetta.74

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
	161:20 consoles?		
	161:21 A. Yes.		
	161:22 Q. That would be something like an		
	161:23 Xbox or PlayStation?		
	161:24 A. Yes.		
	161:25 Q. Is Spotify available on		
	162:01		
	162:02 wearable devices?		
	162:03 A. Yes.		
162:13 - 162:15	<b>Alzetta, Sandra 2022-09-29</b>	00:00:05	Alzetta.75
	162:13 Q. Is Spotify available on smart		
	162:14 TVs?		
	162:15 A. Yes.		
163:09 - 163:16	<b>Alzetta, Sandra 2022-09-29</b>	00:00:21	Alzetta.76
	163:09 My question if a user signs up		
	163:10 for a Spotify service on one of those		
	163:11 applications that we've just talked		
	163:12 about, for example, through their		
	163:13 integrated automotive device, like a car		
	163:14 stereo device, can they use that same		
	163:15 account to listen to music via the		
	163:16 Spotify app on Android?		
163:19 - 163:19	<b>Alzetta, Sandra 2022-09-29</b>	00:00:01	Alzetta.77
	163:19 A. Yes.		
163:20 - 163:23	<b>Alzetta, Sandra 2022-09-29</b>	00:00:08	Alzetta.78
	163:20 Q. And has there ever been any		
	163:21 suggestion by Google that they would		
	163:22 charge Spotify a commission in that		
	163:23 circumstance?		
163:25 - 164:02	<b>Alzetta, Sandra 2022-09-29</b>	00:00:06	Alzetta.79
	163:25 A. I am not aware of such -- I am		
	164:01		
	164:02 not aware of that.		
167:17 - 167:21	<b>Alzetta, Sandra 2022-09-29</b>	00:00:09	Alzetta.80
	167:17 Does Spotify offer both a free		
	167:18 version and a premium version?		
	167:19 A. Yes.		
	167:20 Q. And what are the significant		
	167:21 differences between the two?		

**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
167:23 - 168:04	<b>Alzetta, Sandra 2022-09-29</b> 167:23 A. The key differences are the 167:24 ability for users to, you know, to enjoy 167:25 music without advertising and to shuffle, 168:01 168:02 to be able to choose the music you want 168:03 to listen to when you want to listen to 168:04 it.	00:00:17	Alzetta.81
168:05 - 168:09	<b>Alzetta, Sandra 2022-09-29</b> 168:05 Q. Does the user have to pay for 168:06 the premium version? 168:07 A. Yes, they do. 168:08 Q. And why does Spotify offer 168:09 those two alternatives for the product?	00:00:12	Alzetta.82
168:11 - 168:24	<b>Alzetta, Sandra 2022-09-29</b> 168:11 A. It gives ubiquity, so we know 168:12 that we have users that want to enjoy the 168:13 premium experience and are happy to pay a 168:14 subscription fee for that. 168:15 We also know that some people 168:16 want to enjoy Spotify and are happy with 168:17 the service that includes listening to 168:18 advertising. From our perspective, the 168:19 advertising free model is important to 168:20 us. We like both the free and premium 168:21 model, and think they work very well 168:22 together. 168:23 Q. So why is the advertising free 168:24 model important to you?	00:00:44	Alzetta.83
169:03 - 169:11	<b>Alzetta, Sandra 2022-09-29</b> 169:03 A. It means that we can be 169:04 inclusive, everyone can listen to 169:05 Spotify. And it also means that we have 169:06 a funnel into our premium service that we 169:07 think is a very effective way of 169:08 converting people to the premium service. 169:09 Q. And does Spotify also generate 169:10 revenue from the advertising that appears 169:11 in the free version of Spotify?	00:00:27	Alzetta.84

## Alzetta

DESIGNATION	SOURCE	DURATION	ID
169:13 - 169:13	<b>Alzetta, Sandra 2022-09-29</b> 169:13 A. We do.	00:00:01	Alzetta.85
169:14 - 169:18	<b>Alzetta, Sandra 2022-09-29</b> 169:14 Q. Has Google ever suggested 169:15 that it should receive as a commission 169:16 some portion of that ad revenue that 169:17 Spotify receives from the free version of 169:18 its product?	00:00:11	Alzetta.86
169:20 - 169:23	<b>Alzetta, Sandra 2022-09-29</b> 169:20 A. I am not aware of that. 169:21 Q. And is the free version of the 169:22 product distributed through Google Play? 169:23 A. It is.	00:00:10	Alzetta.87
173:10 - 173:17	<b>Alzetta, Sandra 2022-09-29</b> 173:10 Q. Mr. Mach asked you some 173:11 questions about whether Spotify is 173:12 available on other devices such as gaming 173:13 consoles and cars; do you recall that? 173:14 A. I do. 173:15 Q. And in all the use cases 173:16 besides mobile, what percentage of 173:17 Spotify usage does that represent?	00:00:17	Alzetta.88
173:19 - 173:20	<b>Alzetta, Sandra 2022-09-29</b> [REDACTED] [REDACTED]	00:00:03	Alzetta.89
173:21 - 173:24	<b>Alzetta, Sandra 2022-09-29</b> 173:21 Q. From Spotify's perspective, is 173:22 distribution through, first a smart TV, a 173:23 substitute for distribution through 173:24 mobile devices?	00:00:08	Alzetta.90
174:02 - 174:04	<b>Alzetta, Sandra 2022-09-29</b> 174:02 A. So we know that mobile devices 174:03 are, today, by far and away the most 174:04 popular form of consumption of Spotify.	00:00:10	Alzetta.91
174:10 - 174:22	<b>Alzetta, Sandra 2022-09-29</b> 174:10 Q. What about on an Xbox or a 174:11 PlayStation? 174:12 A. So it's the same. So all of	00:00:37	Alzetta.92



**Alzetta**

DESIGNATION	SOURCE	DURATION	ID
174:13	these other forms of services are		
174:14	important to us, because users want to		
174:15	use them. They provide Ubiquity and		
174:16	Ubiquity matters very much to us. But		
174:17	still the key, the key service is the		
174:18	smart phone.		
174:19	Q. What would happen to Spotify's		
174:20	business if it were not able to reach		
174:21	mobile devices?		
174:22	A. Well, that would be a disaster.		

Designation	00:31:41
<b>TOTAL RUN TIME</b>	<b>00:31:41</b>

# **Deposition Designations of Christian Cramer**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
8:20 - 9:03	<b>Cramer, Christian 2022-01-13</b> 8:20 THE VIDEOGRAPHER: Will the court 8:21 reporter please swear in the witness. 8:22 C H R I S T I A N C R A M E R, the Witness 8:23 herein, having first been duly sworn by the 8:24 Notary Public, was examined and testified as 8:25 follows: 9:01 9:02 THE VIDEOGRAPHER: Thank you. We 9:03 may proceed.	00:00:17	Cramer.1
9:11 - 9:13	<b>Cramer, Christian 2022-01-13</b> 9:11 Could you please state your full 9:12 name for the record? 9:13 A. Christian Cramer.	00:00:05	Cramer.2
43:18 - 43:23	<b>Cramer, Christian 2022-01-13</b> 43:18 Q. So you have been overseeing the 43:19 business finance team for Play since 2017; is 43:20 that correct? 43:21 A. Correct. 43:22 Q. And continue to do so today? 43:23 A. Right.	00:00:12	Cramer.3
46:25 - 48:09	<b>Cramer, Christian 2022-01-13</b> 46:25 Q. Then if I understood you correctly, 47:01 47:02 you are then involved in tracking actual 47:03 performance over time as the year unfolds 47:04 specifically with regard to Play; is that 47:05 correct? 47:06 A. Right. That's what I do today. 47:07 Q. And that involves the preparation of 47:08 P&L statements at various points reflecting 47:09 actual data; is that fair? 47:10 A. Yes, we do make the management P&L. 47:11 Q. Those management P&L's are prepared 47:12 by you and your team? 47:13 A. By my team, yes. 47:14 Q. And they are provided to members of 47:15 Google management; is that right? 47:16 A. What do you mean with Google	00:01:41	Cramer.4

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
	47:17 management?		
	47:18 Q. Well, I think you mentioned before		
	47:19 that these reports have been provided to		
	47:20 members of the management team to assess		
	47:21 performance?		
	47:22 A. Right.		
	47:23 Q. And those recipients of that		
	47:24 information that you and your team produce		
	47:25 obviously rely on those materials as part of		
	48:01		
	48:02 their decision-making process; is that fair?		
	48:03 A. Yes.		
	48:04 Q. And that's the purpose of why you		
	48:05 generate them and provide those materials to		
	48:06 those people?		
	48:07 A. Yes, I mean these materials help,		
	48:08 help manage the budgets and the investments,		
	48:09 yeah.		
48:12 - 48:19	<b>Cramer, Christian 2022-01-13</b>	00:00:23	Cramer.5
	48:12 Before I get to that, it is		
	48:13 obviously important to you and your team that		
	48:14 the materials that you prepare in these, you		
	48:15 know, P&L reports are accurate, correct?		
	48:16 A. Yes, that is correct.		
	48:17 Q. And you believe them all, in fact,		
	48:18 to be accurate; is that correct?		
	48:19 A. To the best of our knowledge, yes.		
94:23 - 96:03	<b>Cramer, Christian 2022-01-13</b>	00:01:50	Cramer.6
	94:23 Q. Is it your understanding that the		
	94:24 Google Play Stores P&L's are utilized to track		
	94:25 the financial performance of Google Play?		
	95:01		
	95:02 A. No, the P&L really tracks the		
	95:03 revenue and the cost.		
	95:04 Q. And that information is used by		
	95:05 management at Google to make business decisions		
	95:06 regarding the future conduct and operation of		
	95:07 the business, correct?		
	95:08 A. I think you would need to be very		
	95:09 precise here because this is a management P&L.		

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
	<p>95:10 So this is a tool that is really used for Play</p> <p>95:11 leadership. I mentioned the three names here,</p> <p>95:12 to help them manage budgets and investments and</p> <p>95:13 understand the trajectory of the business.</p> <p>95:14 So I think -- I was just sensitive</p> <p>95:15 to the fact that you say Google or someone in</p> <p>95:16 Google is kind of making the decision. This is</p> <p>95:17 a management P&amp;L. It's specifically for the</p> <p>95:18 leadership of the Play Store and what they</p> <p>95:19 oversee if you like. It doesn't take into</p> <p>95:20 account all that context of Google of course.</p> <p>95:21 Q. This is information that is used by</p> <p>95:22 the management of the Google Play Store to make</p> <p>95:23 decisions regarding the operation of the</p> <p>95:24 business?</p> <p>95:25 A. Yeah. The operation of the business</p> <p>96:01</p> <p>96:02 obviously is much more complex than just the</p> <p>96:03 financials.</p>		
96:07 - 96:23	<p><b>Cramer, Christian 2022-01-13</b></p> <p>96:07 Q. Now, is it true that Google</p> <p>96:08 maintains a separate profit and loss statement</p> <p>96:09 for Android?</p> <p>96:10 A. Yes, we do have management P&amp;L's for</p> <p>96:11 various products.</p> <p>96:12 Q. So why is that? Why does Google</p> <p>96:13 have a separate P&amp;L for Android?</p> <p>96:14 A. Well, I don't -- I think the reason</p> <p>96:15 is different because these are like management</p> <p>96:16 P&amp;L's. So they serve individual groups of</p> <p>96:17 managers of products or subproducts to manage</p> <p>96:18 the financials.</p> <p>96:19 So the Android team is obviously</p> <p>96:20 different team than the Play team and the</p> <p>96:21 Android team management will, yeah, will need</p> <p>96:22 to manage their budget and investments and it's</p> <p>96:23 separate from Play.</p>	00:00:56	Cramer.7
99:09 - 99:11	<p><b>Cramer, Christian 2022-01-13</b></p> <p>99:09 Q. Do you know why it was decided that</p> <p>99:10 the Android and Google Play Store P&amp;L should be</p>	00:00:05	Cramer.8

## Cramer

DESIGNATION	SOURCE	DURATION	ID
	99:11 tracked separately?		
99:13 - 99:16	<b>Cramer, Christian 2022-01-13</b>	00:00:20	Cramer.9
	99:13 A. No, I don't. But again my understanding of		
	99:14 management P&L's is that they should represent		
	99:15 the financials for a relevant leadership team		
	99:16 where they manage their budgets.		
101:02 - 101:06	<b>Cramer, Christian 2022-01-13</b>	00:00:12	Cramer.10
	101:02 Q. But it's true, is it not, that		
	101:03 according to the P&L that you referred to that		
	101:04 is being prepared for Google Play management,		
	101:05 the Google Play Store operates at a profit,		
	101:06 correct?		
101:08 - 101:18	<b>Cramer, Christian 2022-01-13</b>	00:00:39	Cramer.11
	101:08 A. The management P&L for Play shows		
	101:09 positive profits, yes.		
	101:10 Q. And those same P&L's show that		
	101:11 Google Play Store's profits have increased over		
	101:12 time, correct?		
	101:13 A. Yes, that is correct. I do want to		
	101:14 say though that it's important that these P&L's		
	101:15 are not static. So things can change on those		
	101:16 P&L's. So comparisons over time on how the		
	101:17 profitability evolves need to be considered		
	101:18 carefully.		
104:18 - 104:22	<b>Cramer, Christian 2022-01-13</b>	00:00:16	Cramer.12
	104:18 Q. So this is a document we are marking		
	104:19 as Exhibit 428. This is an Excel spreadsheet		
	104:20 bearing Bates stamp Google Play 416245. Let me		
	104:21 know when you've got that.		
	104:22 A. I have it open.		
107:17 - 107:22	<b>Cramer, Christian 2022-01-13</b>	00:00:18	Cramer.13
	107:17 Q. Now, you mentioned that your team		
	107:18 would have been involved. Was this document		
	107:19 prepared using, you know, financial information		
	107:20 generated in the ordinary course of Google's		
	107:21 business?		
	107:22 A. Yes.		
117:14 - 118:16	<b>Cramer, Christian 2022-01-13</b>	00:01:41	Cramer.14
	117:14 Q. What did you mean by the data does		

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
	117:15 not include costs that would be part of the		
	117:16 operations of a standalone company?		
	117:17 A. Right. That kind of refers back to		
	117:18 what I was kind of trying to be precise on		
	117:19 before. This Play P&L in the different formats		
	117:20 that it can be shown is the management P&L for		
	117:21 the specific group of people who are managing		
	117:22 the budget and investments in Play -- in the		
	117:23 Play Store itself. But, Play does get		
	117:24 distribution. I think that is something that		
	117:25 is here for example mentioned.		
	118:01		
	118:02 The standalone company would have to		
	118:03 do investments into a distribution, which do		
	118:04 not -- which are not included on this Play P&L		
	118:05 because Play is operating in a broader context		
	118:06 than an ecosystem, of course, of Google and		
	118:07 it's not limited to Android like, for example,		
	118:08 Google is making very significant investments		
	118:09 in branding and other areas where ultimately		
	118:10 various Google products, including the Play		
	118:11 Store, are benefited.		
	118:12 So if Play Store was an independent		
	118:13 company, you would incur other costs that are		
	118:14 not reflected on the Play P&L today and don't		
	118:15 need to because Play is not a standalone		
	118:16 company.		
118:17 - 119:03	<b>Cramer, Christian 2022-01-13</b>	00:00:50	Cramer.15
	118:17 Q. I think you just said this, but some		
	118:18 of those costs are incurred for the benefit of		
	118:19 parts of Google's business beyond Google Play,		
	118:20 correct? In other words, Android distribution		
	118:21 costs don't just benefit Google Play, right?		
	118:22 A. I don't want to speculate about that		
	118:23 kind of how the Android cost and the Android		
	118:24 investments are -- where the benefits lie, but		
	118:25 I think that -- I think it is fair to say like		
	119:01		
	119:02 the Android investments are -- yeah, are		
	119:03 connected to broader ecosystem.		

## Cramer

DESIGNATION	SOURCE	DURATION	ID
120:02 - 120:05	<b>Cramer, Christian 2022-01-13</b> 120:02 Q. So this refers to costs in the 120:03 caveat of line 11. Can you identify all of the 120:04 costs that are not included in the data that I 120:05 described in this caveat?	00:00:16	Cramer.16
120:06 - 120:16	<b>Cramer, Christian 2022-01-13</b> 120:06 A. No, I can't because it's not a -- we 120:07 don't maintain a Play P&L. Let me step back. 120:08 The Play P&L we maintain is the management P&L 120:09 that includes costs that we feel are, how 120:10 should I say that, are managed by the 120:11 leadership of that specific group. So the 120:12 management P&L's, they really serve as a tool 120:13 to manage the budgets and the investments for a 120:14 specific group, but they are not aiming -- they 120:15 are not aiming to represent the full economic 120:16 picture of each individual product.	00:00:58	Cramer.17
139:03 - 139:10	<b>Cramer, Christian 2022-01-13</b> 139:03 Q. So does Google typically track ads, 139:04 revenue in the Google P&L statements? 139:05 A. That depends purely on the use of 139:06 the P&L. In a monthly review with the Play 139:07 leadership there would be -- I would show a 139:08 management P&L that includes ads and I would 139:09 also show numbers excluding ads and how ads and 139:10 the ads business are trending.	00:00:35	Cramer.18
184:09 - 184:12	<b>Cramer, Christian 2022-01-13</b> 184:09 Q. And, in fact, these three tabs show 184:10 that the Google Play Store's operating profit 184:11 has increased year over year from 2011 to 2020, 184:12 right?	00:00:10	Cramer.19
184:14 - 184:18	<b>Cramer, Christian 2022-01-13</b> 184:14 A. Well, the operating profit reported 184:15 in the management P&L has increased in each of 184:16 those years as displayed in this document, but 184:17 again, there are limitations, as I said, of 184:18 teams moving in and out over time, so.	00:00:26	Cramer.20
236:14 - 236:19	<b>Cramer, Christian 2022-01-13</b> 236:14 Q. I'm going to mark as a new exhibit,	00:00:24	Cramer.21



## Cramer

DESIGNATION	SOURCE	DURATION	ID
	236:15 and this will be Exhibit 433, Tab 9 which is a 236:16 document bearing Bates stamps GOOG-PLAY1141570 236:17 through 1141616. 236:18 (Whereupon Exhibit 433 was marked 236:19 for identification.)		
237:02 - 237:03	<b>Cramer, Christian 2022-01-13</b> 237:02 Are you familiar with this presentation, sir? 237:03 A. Yes.	00:00:06	Cramer.22
237:19 - 237:24	<b>Cramer, Christian 2022-01-13</b> 237:19 Q. This was prepared by people at 237:20 Google, correct? 237:21 A. This was prepared by people at 237:22 Google, you said? 237:23 Q. Yes. 237:24 A. Yes.	00:00:10	Cramer.23
242:12 - 242:24	<b>Cramer, Christian 2022-01-13</b> 242:12 Q. Now, Android has its own P&L 242:13 statement, correct? 242:14 A. Correct. 242:15 Q. And I think that is set forth on 242:16 slide -- what is known as slide Bates stamp 242:17 1575. Do you see that? 242:18 A. I see that. 242:19 Q. And so the costs associated with 242:20 Android are not included in the Google Store 242:21 P&L that are set forth on slides 180 -- sorry 242:22 580 and 581? 242:23 A. Right, they are different management 242:24 P&Ls.	00:00:35	Cramer.24
244:04 - 244:19	<b>Cramer, Christian 2022-01-13</b> 244:04 Q. According to this document, the 244:05 Google Play Stores operating income including 244:06 revenue and costs associated with ads was 244:07 \$5.189 billion for 2018, correct? 244:08 A. Correct. 244:09 Q. For 2019, the Google Play Stores 244:10 operating income including revenue and costs 244:11 associated with ads was \$7.015 billion, right? 244:12 A. That is correct. Coming back just	00:00:56	Cramer.25

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
	244:13 for the record, that this has the limitations		
	244:14 of the management P&L, as I said before.		
	244:15 Q. And in 2020, the Google Play Store		
	244:16 was operating income including revenues and		
	244:17 costs associated with ads was specified as		
	244:18 \$9.617 billion, correct?		
	244:19 A. That is right.		
244:20 - 245:08	<b>Cramer, Christian 2022-01-13</b>	00:00:50	Cramer.26
	244:20 Q. And there is a reference to 2021		
	244:21 guidance of \$11.468 billion. Do you see that?		
	244:22 A. Right.		
	244:23 Q. Does that accord with your		
	244:24 understanding of what the projected operating		
	244:25 income is for the Google Play Store for 2021,		
	245:01		
	245:02 including revenue from past -- revenue and		
	245:03 costs associated with ads?		
	245:04 A. The guidance is a concept of		
	245:05 corporate indicating what their expectation is		
	245:06 for a specific product area or product group.		
	245:07 So, this was their expectation for revenue and		
	245:08 profitability.		
250:15 - 250:16	<b>Cramer, Christian 2022-01-13</b>	00:00:18	Cramer.27
	250:15 be Exhibit 434, and Exhibit 434 is a document		
	250:16 bearing Bates stamp GOOG-PLAY445443. Let me		
250:17 - 250:25	<b>Cramer, Christian 2022-01-13</b>	00:00:18	Cramer.28
	250:17 know when that pops up on your screen.		
	250:18 (Whereupon Exhibit 434 was marked		
	250:19 for identification.)		
	250:20 A. Yes, I see that.		
	250:21 Q. So, we talked about the fact that		
	250:22 your group would provide certain decks or		
	250:23 presentations to the CFO council. Is this that		
	250:24 sort of presentation?		
	250:25 A. Yes.		
251:17 - 252:02	<b>Cramer, Christian 2022-01-13</b>	00:00:34	Cramer.29
	251:17 Q. I think I might have asked you this,		
	251:18 and I apologize, but who else was on the CFO		
	251:19 council apart from -- well, Ms. Porat was on,		

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
	251:20 right?		
	251:21 A. Yes, the CFO council is a group of		
	251:22 business finance officers, as we call them.		
	251:23 Those are finance leaders who oversee the		
	251:24 various products. So, my manager would be one		
	251:25 participant in that forum as the finance lead		
	252:01		
	252:02 for platforms and ecosystem.		
254:02 - 254:06	<b>Cramer, Christian 2022-01-13</b>	00:00:13	Cramer.30
	254:02 Q. Does this document effect revenues		
	254:03 and costs associated with ads on the Google		
	254:04 Play Store into the P&L that is presented here?		
	254:05 A. It looks like it because there is an		
	254:06 ads line item.		
255:18 - 255:21	<b>Cramer, Christian 2022-01-13</b>	00:00:11	Cramer.31
	255:18 Q. And again, it is your understanding		
	255:19 that the information expressed here is		
	255:20 accurate, correct?		
	255:21 A. That is my understanding, yes.		
289:19 - 289:20	<b>Cramer, Christian 2022-01-13</b>	00:00:04	Cramer.32
	289:19 Q. Let's mark a new document. This is		
	289:20 going to be Exhibit 440.		
290:02 - 290:04	<b>Cramer, Christian 2022-01-13</b>	00:00:11	Cramer.33
	290:02 Q. Okay. This is an Excel spreadsheet		
	290:03 Bates stamped Google Play 1507772. So, do you		
	290:04 recognize this document?		
290:05 - 290:05	<b>Cramer, Christian 2022-01-13</b>	00:00:03	Cramer.34
	290:05 A. Yes, I do recognize this document.		
300:04 - 300:14	<b>Cramer, Christian 2022-01-13</b>	00:00:31	Cramer.35
	300:04 Q. And could you explain then what the		
	300:05 total investment in Android number refers to?		
	300:06 A. That is the sum of the total in line		
	300:07 20 and the total in line 24.		
	300:08 Q. Now, this document only reflects		
	300:09 costs, right?		
	300:10 A. Right.		
	300:11 Q. Do any of the costs that are		
	300:12 reflected in this document also appear in the		
	300:13 Google Play P&L?		

**Cramer**

DESIGNATION	SOURCE	DURATION	ID
	300:14 A. No.		

Designation	00:17:33
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<b>TOTAL RUN TIME</b>	<b>00:17:33</b>
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## **Deposition Designations of Armin Zerza**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.







## Zerza

DESIGNATION	SOURCE	DURATION	ID
5:24 - 6:03	<b>Zerza, Armin 2022-09-22</b> 5:24 Can you please state your full 5:25 name for the record. 6:01 6:02 A. Yeah, my name is Armin 6:03 Christoph Zerza.	00:00:06	Zerza.1
6:08 - 6:15	<b>Zerza, Armin 2022-09-22</b> 6:08 Q. Are you currently employed? 6:09 A. I am. 6:10 Q. By whom? 6:11 A. By Activision Blizzard. 6:12 Q. And what is your current role 6:13 at Activision Blizzard? 6:14 A. I'm chief financial officer of 6:15 the company.	00:00:14	Zerza.2
17:02 - 17:10	<b>Zerza, Armin 2022-09-22</b> 17:02 Q. Is Call of Duty a mobile game 17:03 developed by Activision Blizzard? 17:04 A. Call of Duty is a mobile game 17:05 that has been -- Call of Duty is a 17:06 franchise that is present across different 17:07 platforms, so PC, console and mobile, so 17:08 including mobile. The mobile version of 17:09 the game has been developed or co-developed 17:10 with Tencent.	00:00:30	Zerza.3
20:02 - 20:08	<b>Zerza, Armin 2022-09-22</b> 20:02 Activision has games available on 20:03 both IOS and Android, correct? 20:04 A. That is correct. 20:05 Q. Call of Duty mobile, for 20:06 example, is available both on IOS and 20:07 Android; is that right? 20:08 A. That is correct.	00:00:14	Zerza.4
25:21 - 25:24	<b>Zerza, Armin 2022-09-22</b> 25:21 Q. And you are aware that 25:22 virtually all of Activision's Android 25:23 mobile game downloads occur via the Google 25:24 Play Store, correct?	00:00:11	Zerza.5
26:02 - 26:03	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.6

## Zerza




DESIGNATION	SOURCE	DURATION	ID
	26:02 A. I have not done the math, but		Zerza.6
	26:03 the majority for sure, yeah.		
28:08 - 28:12	<b>Zerza, Armin 2022-09-22</b>	00:00:17	Zerza.7
	28:08 Q. And with respect to those		
	28:09 purchases made in-app by users in		
	28:10 Activision's games on Android, does Google		
	28:11 take a percentage of the revenue that		
	28:12 Activision earns?		
28:14 - 28:14	<b>Zerza, Armin 2022-09-22</b>	00:00:01	Zerza.8
	28:14 A. Yes, it does.		
28:15 - 28:18	<b>Zerza, Armin 2022-09-22</b>	00:00:10	Zerza.9
	28:15 Q. And what was that fee in 2018		
	28:16 as a percentage of revenue?		
	28:17 A. It has been and continues to be		
	28:18 30 percent.		
33:19 - 33:21	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.10
	33:19 Q. Have you attended the Game		
	33:20 Developers Conference?		
	33:21 A. I did, in 2019.		
46:08 - 46:14	<b>Zerza, Armin 2022-09-22</b>	00:00:18	Zerza.11
	46:08 Q. Do you recall talking to		
	46:09 Mr. Sweeney about that subject at the Game		
	46:10 Developers Conference in March of 2019?		
	46:11 A. I do not recall talking to		
	46:12 Mr. Sweeney about that topic at the GDC I		
	46:13 do recall I did talk to him, but I don't		
	46:14 remember the timing.		
46:15 - 47:14	<b>Zerza, Armin 2022-09-22</b>	00:01:16	Zerza.12
	46:15 Q. And what do you recall about		
	46:16 those initial discussions?		
	46:17 A. I asked Mr. Sweeney whether		
	46:18 Epic, in this case, would be open or		
	46:19 interested in, you know, joining a		
	46:20 conversation on developing our own mobile		
	46:21 distribution payment systems.		
	46:22 Q. And what do you mean by "mobile		
	46:23 distribution payment systems"?		
	46:24 A. What I mean with that is that		
	46:25 we explored the opportunity at the time on		

## Zerza




DESIGNATION	SOURCE	DURATION	ID
	47:01		
	47:02 whether or not we should pursue our own		
	47:03 mobile distribution system and payment		
	47:04 system for our mobile games, and we asked,		
	47:05 you know, in this case specifically Epic,		
	47:06 Mr. Sweeney, whether he was interested in		
	47:07 joining up with that.		
	47:08 Q. And when you say "our own		
	47:09 mobile distribution system," would that be		
	47:10 on Android, a game store on Android?		
	47:11 A. That would be specifically on		
	47:12 Android and would be a store that would,		
	47:13 you know, carry, yeah, video games, mobile		
	47:14 video games.		
48:07 - 48:07	<b>Zerza, Armin 2022-09-22</b>	00:00:02	Zerza.13
 1977	48:07 Q. You will see I have marked as		
48:08 - 48:11	<b>Zerza, Armin 2022-09-22</b>	00:00:14	Zerza.14
	48:08 Exhibit 1977 a series of e-mails between		
	48:09 you and Mr. Sweeney dated between May 9th,		
	48:10 2019 and June 27th, 2019. Do you see that?		
	48:11 A. I do, yes.		
49:15 - 49:21	<b>Zerza, Armin 2022-09-22</b>	00:00:14	Zerza.15
 1977.3.1	49:15 Q. If you turn to the first e-mail		
 1977.3.2	49:16 in time, the e-mail from Mr. Sweeney to you		
	49:17 dated May 9th, 2019, you see that he says		
 1977.3.4	49:18 "Hi Armin, I'm sorry for the delays		
	49:19 following our GDC discussion"?		
	49:20 Do you see that?		
	49:21 A. I do, yes.		
52:14 - 53:06	<b>Zerza, Armin 2022-09-22</b>	00:00:30	Zerza.16
	52:14 Q. He sends		
 1977.2.9	52:15 an e-mail back to you again and says "Hi		
	52:16 Armin, any thoughts or interest?"		
	52:17 Do you see that?		
	52:18 A. I do see that, yes.		
 1977.2.13	52:19 Q. And then you respond that same		
	52:20 day at around 8:43 a.m., do you see that		
	52:21 e-mail from you?		
	52:22 A. I do, yes.		




## Zerza

DESIGNATION	SOURCE	DURATION	ID
	52:23 Q. And you list three reactions to		
	52:24 Mr. Sweeney, correct?		
	52:25 A. Right.		
 1977.2.11	53:01		
	53:02 Q. And the first one is that the		
	53:03 August timing works for your tech folks.		
	53:04 A. Uh-huh.		
	53:05 Q. That's right?		
	53:06 A. That is correct.		
53:09 - 54:04	<b>Zerza, Armin 2022-09-22</b>	00:00:50	Zerza.17
 1977.2.7	53:09 Then you write		
	53:10 "For the purpose of clarity/alignment, our		
	53:11 ultimate goal here would be to have a joint		
	53:12 mobile app/store - we strongly believe that		
	53:13 scale at the front end will benefit all of		
	53:14 us and our players, plus increase the odds		
	53:15 of success."		
	53:16 Do you see that?		
	53:17 A. I see that, yes.		
	53:18 Q. What did you mean that your		
	53:19 ultimate goal would be to have a joint		
	53:20 mobile app store?		
	53:21 A. So we, as I mentioned before,		
	53:22 we were exploring the idea of a mobile		
	53:23 distribution, so game distribution store		
	53:24 and payment system. Obviously we never		
	53:25 pursued it because it wasn't financially		
	54:01		
	54:02 attractive for us. But, you know, that was		
	54:03 really the idea. I don't recall anything		
	54:04 else.		
59:11 - 60:14	<b>Zerza, Armin 2022-09-22</b>	00:01:17	Zerza.18
 1977.2.14	59:11 Q. Was one of the reasons that		
	59:12 Activision explored launching its own		
	59:13 mobile app store to benefit Activision's		
	59:14 players?		
	59:15 A. Ultimately we have been		
	59:16 exploring our own mobile distribution, you		
	59:17 know, for many different reasons, you know,		
	59:18 one of them was to create a more direct		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	59:19 relationship with our players, for example, 59:20 you know, and when we have more direct 59:21 relationships, then we generally are better 59:22 able to, you know, see what our players are 59:23 actually engaging with faster. We do have 59:24 those data from our partners too, but there 59:25 is a time lag, like in this meeting today, 60:01 60:02 and we like to be acting in real time. 60:03 So there is many different 60:04 reasons. They would include, you know, our 60:05 players, and our players' preferences in 60:06 the stores. They would obviously, you 60:07 know, we are a public company, which is 60:08 focused on driving revenue and profit 60:09 growth, you know, include the idea of can 60:10 we accelerate the revenue and profit growth 60:11 doing that, you know, and so on and so 60:12 forth. As I mentioned, ultimately we 60:13 haven't pursued it simply because we think 60:14 it wasn't big enough.		
63:10 - 64:14	<b>Zerza, Armin 2022-09-22</b>	00:01:15	Zerza.19
 1977.1.1	63:10 Q. And then if you go -- if you 63:11 scroll up to the top of Exhibit 1977, you 63:12 see that you respond to Mr. Sweeney on June 63:13 27th, 2019, correct?		
 1977.1.4	63:14 A. I do, yes. 63:15 Q. And first you say "Great to 63:16 hear SuperCell is on board!" Right?		
 1977.1.5	63:17 A. I do, yes. 63:18 Q. And then you include six 63:19 bullets laying out Activision's initial 63:20 thinking on a joint mobile store, correct? 63:21 A. That is correct. 63:22 Q. And the first idea is that it 63:23 would be a consortium between Epic, 63:24 SuperCell and ABK, right? 63:25 A. That is correct. 64:01 64:02 Q. And the purpose of the joint		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	64:03 mobile app store would be for mobile game		
	64:04 distribution both for consortium members		
	64:05 and third parties, correct?		
	64:06 A. That is correct.		
	64:07 Q. And the strategy of the mobile		
	64:08 app store would be one single mobile game		
	64:09 store focused on distribution of mobile		
	64:10 games, correct?		
	64:11 A. That is correct.		
	64:12 Q. And that would include a single		
	64:13 payment system?		
	64:14 A. Yeah.		
65:04 - 65:09	<b>Zerza, Armin 2022-09-22</b>	00:00:13	Zerza.20
	65:04 Q. And the idea of the mobile app		
	65:05 store was that the storefront would be for		
	65:06 mobile games initially but would build		
	65:07 functionality over time to include		
	65:08 marketing and promotions, etc., right?		
 Clear	65:09 A. Correct.		
69:09 - 69:13	<b>Zerza, Armin 2022-09-22</b>	00:00:21	Zerza.21
	69:09 Q. If Activision were able to		
	69:10 operate its own payment system, it would be		
	69:11 free to charge third-party developers using		
	69:12 its store whatever commission it felt was		
	69:13 appropriate, correct?		
69:16 - 71:24	<b>Zerza, Armin 2022-09-22</b>	00:02:18	Zerza.22
	69:16 A. I think we are		
	69:17 confusing different concepts. There are		
	69:18 distribution ecosystems, you know, across		
	69:19 different, you know, platforms. Those		
	69:20 distribution ecosystems, you know,		
	69:21 generally speaking, charge certain fees for		
	69:22 the service they are providing. A payment		
	69:23 system is a part of a distribution		
	69:24 ecosystem.		
	69:25 So if we had our own payment		
	70:01		
	70:02 system, I don't know whether we could		
	70:03 charge higher fees because without a		
	70:04 distribution system, you know, I don't know		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
70:05	what -- sorry, I should say, I should		
70:06	correct that, I don't know what type of		
70:07	fees we would charge because without the		
70:08	distribution system we would actually not		
70:09	charge -- we would not be able to charge		
70:10	any fees to anybody.		
70:11	Q. Yeah, let me make sure I		
70:12	understand. So the mobile app store itself		
70:13	is what you are referring to as the		
70:14	distribution system, correct?		
70:15	A. That is correct.		
70:16	Q. And then separately you could		
70:17	have your own payment system related for		
70:18	the purchases made of games bought through		
70:19	the store, correct?		
70:20	A. It is not separate, it is an		
70:21	integral part of the store.		
70:22	Q. But --		
70:23	A. So this is an important		
70:24	distinction, because we couldn't just		
70:25	introduce a payment system without a store.		
71:01			
71:02	The payment system is an integral part of		
71:03	the store, like you go to a physical store,		
71:04	you need a place to pay, whether that is		
71:05	through a cashier or through a		
71:06	self-checkout, in the same ecosystem, in a		
71:07	digital ecosystem, the payment system is		
71:08	part of the store.		
71:09	Q. And had you had your own mobile		
71:10	app store, you then could have explored		
71:11	having your own payment system, correct?		
71:12	A. I'm not following the logic.		
71:13	We would not launch a store with our own		
71:14	payment system. It doesn't make any sense.		
71:15	Q. You would not launch a store		
71:16	without your own payment system, is that		
71:17	what you said?		
71:18	A. Without a payment system in		
71:19	general, yeah. It doesn't make any sense.		
71:20	What store has no payment system? You see,		

**Zerza**

DESIGNATION	SOURCE	DURATION	ID
	71:21 that's why I'm not following your logic.		
	71:22 If we launched a store we would also		
	71:23 include a payment system, whether that is		
	71:24 our own or a third-party system.		
71:25 - 73:08	<b>Zerza, Armin 2022-09-22</b>	00:01:38	Zerza.23
	71:25 Q. Currently you have -- you don't		
	72:01		
	72:02 have your own payment system, correct, on		
	72:03 mobile, on Android?		
	72:04 A. So we do have -- we do have our		
	72:05 own distribution system on PC, as you know,		
	72:06 with Battle.net. We do not have our own		
	72:07 distribution or payment system on mobile.		
	72:08 Q. And what do you use on Android?		
	72:09 A. Today we use Google Play as our		
	72:10 store in many, many different countries.		
	72:11 We use a store called ONE Store in Korea.		
	72:12 In China, there is a variety of stores that		
	72:13 we are using. So I don't recall all the		
	72:14 names.		
	72:15 Q. And when you use Google Play,		
	72:16 you use Google's payment system, right?		
	72:17 A. When we use Google Play, yeah,		
	72:18 of course.		
	72:19 Q. Okay. So you had this e-mail		
	72:20 exchange with Mr. Sweeney from May 9th,		
	72:21 2019 to June 27th, 2019, correct?		
	72:22 A. One second. I'm just checking		
	72:23 the dates here. Yeah, that's correct.		
	72:24 Q. And you made an effort to be		
	72:25 accurate and honest in your communications		
	73:01		
	73:02 with Mr. Sweeney, correct?		
	73:03 A. I assume so. I don't recall		
	73:04 the details, but of course.		
	73:05 Q. But, in general, in your		
	73:06 business dealings, you attempt to be		
	73:07 accurate and honest in what you say to your		
	73:08 counterparties, correct?		
73:10 - 73:24	<b>Zerza, Armin 2022-09-22</b>	00:00:27	Zerza.24

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	73:10 A. Look, this was three years ago, 73:11 so I cannot -- I cannot recall what was 73:12 accurate and what would have not been 73:13 accurate. Obviously none of this turned 73:14 out to be accurate because this was never 73:15 launched. 73:16 Q. I understand. 73:17 A. It is a little bit awkward. It 73:18 depends on from what perspective you look 73:19 at it. 73:20 Q. Let me ask a better question. 73:21 At the time you make statements 73:22 to counterparties in a business setting, 73:23 you don't intentionally lie to them, 73:24 correct?		Zerza.24
74:01 - 74:18	<b>Zerza, Armin 2022-09-22</b> 74:01 74:02 A. I would say it differently. So 74:03 I don't know whether all these statements 74:04 are accurate, to answer your question that 74:05 you had before. You know, obviously I 74:06 would answer the question to the best of my 74:07 knowledge at the time, but that changes 74:08 over time as, you know, we learn more 74:09 things about the respective other parties' 74:10 interest, the respective initiative in this 74:11 case. So, you know, the term "accuracy," 74:12 you know, is not the right term to use 74:13 here. 74:14 Q. Let me ask a different term. 74:15 So in your business dealings, 74:16 do you attempt to be honest with your 74:17 counterparties about your current thinking 74:18 and understanding?	00:00:38	Zerza.25
74:20 - 75:22	<b>Zerza, Armin 2022-09-22</b> 74:20 A. I attempt to communicate what's 74:21 to the best of my knowledge at the time, 74:22 and that changes over time. 74:23 Q. And in -- 74:24 A. Let me finish the answer.	00:01:00	Zerza.26

**Zerza**

DESIGNATION	SOURCE	DURATION	ID
	74:25 Sorry, we need to let each other finish		
	75:01		
	75:02 here.		
	75:03 And why is that? Because it's		
	75:04 the nature of this type of conversation		
	75:05 that they are exploratory and often we are		
	75:06 full with ideas that, you know, one, won't		
	75:07 work over time, and, two, in many cases		
	75:08 don't materialize. That's why it is a		
	75:09 tricky question to answer because those are		
	75:10 very early exploratory discussions, as you		
	75:11 can see from the nature of these e-mails.		
	75:12 Q. With respect, I don't -- I		
	75:13 don't think it is meant to be a tricky		
	75:14 question. I understand that things change		
	75:15 and I understand that your viewpoints		
	75:16 change. Let me finish.		
	75:17 A. Go ahead.		
	75:18 Q. Everyone understands how the		
	75:19 world works. My question is very simple,		
	75:20 is when you communicate in a business		
	75:21 setting with your counterparties, do you		
	75:22 attempt to be honest?		
75:25 - 76:22	<b>Zerza, Armin 2022-09-22</b>	00:01:02	Zerza.27
	75:25 A. As I said, I try to communicate		
	76:01		
	76:02 what's to the best of my knowledge at the		
	76:03 point in time and what it was over time.		
	76:04 Q. After you had this e-mail		
	76:05 exchange with Mr. Sweeney, do you recall		
	76:06 having a series of business meetings with		
	76:07 Google representatives from July 2019		
	76:08 through November of 2019?		
	76:09 A. I recall I had a series of		
	76:10 business meetings with Google, you know, in		
	76:11 2019. I don't remember all the exact		
	76:12 timings.		
	76:13 Q. Do you recall that one of the		
	76:14 Google employees with whom you interacted		
	76:15 was someone named Karen, is it Beatty?		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	76:16 A. So I do remember Karen. I		
	76:17 don't recall her last name. And I think		
	76:18 her last name changed over time.		
	76:19 Q. Karen Aviram B-e-a-t-t-y, is		
	76:20 that --		
	76:21 A. That's correct, yeah, that's		
	76:22 correct.		
77:03 - 77:05	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.28
	77:03 Q. And did you also interact with		
	77:04 a Google employee named Don Harrison?		
	77:05 A. That is correct, yes.		
77:11 - 77:23	<b>Zerza, Armin 2022-09-22</b>	00:00:35	Zerza.29
	77:11 Q. Well, what do you recall		
	77:12 discussing with those Google		
	77:13 representatives during that time frame?		
	77:14 A. Well, as I mentioned before, we		
	77:15 started a discussion earlier in 2019 about		
	77:16 a broader partnership between the two		
	77:17 companies that include multiple pillars		
	77:18 across Google Cloud, across YouTube, across		
	77:19 marketing, and Google Play, in order to		
	77:20 accelerate value equation for both		
	77:21 companies. That's what we call a win-win		
	77:22 partnership and that's really what our		
	77:23 approach to all the partnerships is.		
82:04 - 82:07	<b>Zerza, Armin 2022-09-22</b>	00:00:09	Zerza.30
	82:04 Q. In 2019 at some point you		
	82:05 recall mentioning to Google employees that		
	82:06 Activision was considering building its own		
	82:07 mobile game store?		
82:09 - 82:11	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.31
	82:09 A. As I said, I probably have		
	82:10 mentioned it. I don't remember specific		
	82:11 and what the timing was.		
90:09 - 90:11	<b>Zerza, Armin 2022-09-22</b>	00:00:08	Zerza.32
	90:09 Q. Do you recall meeting with		
	90:10 Karen Beatty at Google's Zeitgeist?		
	90:11 A. I do, yes.		
92:11 - 93:04	<b>Zerza, Armin 2022-09-22</b>	00:00:46	Zerza.33






**Zerza**

DESIGNATION	SOURCE	DURATION	ID
	92:11 Q. Do you recall mentioning to 92:12 Ms. Beatty in October of 2019 that 92:13 Activision was considering launching a 92:14 mobile distribution platform in the first 92:15 quarter of 2020? 92:16 A. So as I mentioned before, I do 92:17 recall, or it is possible that I mentioned 92:18 that during those conversations. I don't 92:19 remember the timing of that conversation, 92:20 and I also don't remember, you know, 92:21 mentioning that we would be able to launch 92:22 a store in quarter one of 2019, which would 92:23 have been -- 2020 you said, right? -- which 92:24 would have been completely unrealistic. 92:25 Q. So you don't recall saying to 93:01 93:02 Google that you were, quote, "considering 93:03 launching a mobile distribution platform in 93:04 Q1 of 2020"?		Zerza.33
93:06 - 93:10	<b>Zerza, Armin 2022-09-22</b> 93:06 A. I do not -- I do not recall 93:07 that. I do recall that it is possible that 93:08 I mentioned it, as I mentioned before. I 93:09 don't recall any specifics of the timing 93:10 around it.	00:00:11	Zerza.34
93:14 - 93:24	<b>Zerza, Armin 2022-09-22</b> 93:14 Q. Do you recall her asking you 93:15 whether your launch in Q1 2020 of a mobile 93:16 distribution platform was definitely going 93:17 to happen? 93:18 A. I do not recall that, no. 93:19 Q. And do you recall responding 93:20 that the decision as to whether it would 93:21 happen or not is dependent on whether 93:22 Activision can find the right deal or 93:23 solution with Google? 93:24 A. I do not recall that, no.	00:00:26	Zerza.35
95:23 - 96:19	<b>Zerza, Armin 2022-09-22</b> 95:23 Q. Do you recall you calculating 95:24 that for Activision moving from 30 percent	00:00:51	Zerza.36



## Zerza

DESIGNATION	SOURCE	DURATION	ID
	95:25 to 20 percent of the rev share was		
	96:01		
	96:02 equivalent to about 100 to \$110 million in		
	96:03 value?		
	96:04 A. I do not recall that		
	96:05 specifically. I said before, you know,		
	96:06 that we have certain thresholds and we had		
	96:07 certain size and scale of business, so we		
	96:08 can go back to our records and look at what		
	96:09 the math would look like.		
	96:10 Q. I think the math is not that		
	96:11 difficult. If you had \$1 billion in Google		
	96:12 Play gross revenue projected in 2020, 30		
	96:13 percent of that would be 300 million,		
	96:14 correct?		
	96:15 A. If that was the case, correct.		
	96:16 Q. So if you wanted to move the		
	96:17 revenue share from 30 percent to 20		
	96:18 percent, there would have to be a \$100		
	96:19 million reduction, correct?		
96:21 - 96:22	<b>Zerza, Armin 2022-09-22</b>	00:00:02	Zerza.37
	96:21 A. Mathematically, that's correct,		
	96:22 yeah.		
96:23 - 97:08	<b>Zerza, Armin 2022-09-22</b>	00:00:22	Zerza.38
	96:23 Q. And do you recall Karen Beatty		
	96:24 saying to you that the 110 million to --		
	96:25 100 million to \$110 million in value is		
	97:01		
	97:02 what Google would have to make up with		
	97:03 credits?		
	97:04 A. I do not recall that, no.		
	97:05 Q. Do you recall at this point in		
	97:06 time that Google was offering \$72 million		
	97:07 in credits and you saying that you need at		
	97:08 least \$100 million?		
97:10 - 98:11	<b>Zerza, Armin 2022-09-22</b>	00:01:17	Zerza.39
	97:10 A. The deal evolved, you know,		
	97:11 over many, many months, as I said, so I		
	97:12 don't recall that specific conversation.		
	97:13 Q. Do you recall, even if it		






## Zerza

DESIGNATION	SOURCE	DURATION	ID
	97:14 wasn't the specific conversation, there		
	97:15 being a point in time where Google had come		
	97:16 up to about 70 million in credits and you		
	97:17 were still asking for about 100 million in		
	97:18 credits?		
	97:19 A. No, I don't.		
	97:20 Q. Do you recall proposing that		
	97:21 potentially that gap could be bridged		
	97:22 through a deal involving YouTube and		
	97:23 e-sports?		
	97:24 A. I don't recall that, no.		
	97:25 Q. Do you recall in general that		
	98:01		
	98:02 the product areas that were being discussed		
	98:03 with Google involved YouTube, cloud, ad		
	98:04 spend, and Google Play?		
	98:05 A. So the product areas that are		
	98:06 involved are Google Play, that's correct,		
	98:07 Google Cloud, that's correct, the		
	98:08 advertising spend by Activision Blizzard,		
	98:09 the whole company, on the Google ecosystem,		
	98:10 and then e-sports, which is on YouTube,		
	98:11 that's correct.		
102:04 - 102:07	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.40
 1978	102:04 Q. I have marked an exhibit that		
	102:05 is numbered 1978 that should be available		
	102:06 in your Exhibit Share. Let me know when		
	102:07 you have that up.		
102:11 - 102:14	<b>Zerza, Armin 2022-09-22</b>	00:00:10	Zerza.41
	102:11 Q. Do you see that this is a		
	102:12 presentation deck titled Project Boston		
	102:13 Overview dated December 12th, 2019?		
	102:14 A. I do, yes.		
103:07 - 103:17	<b>Zerza, Armin 2022-09-22</b>	00:00:24	Zerza.42
 1978.2.1	103:07 Q. If you take a look at the		
	103:08 second page, you see there is a slide		
	103:09 entitled Project Boston Context?		
	103:10 A. I do, yes.		
 1978.2.7	103:11 Q. And the first bullet says "As		
	103:12 industry trends are changing and new mobile		


## Zerza

DESIGNATION	SOURCE	DURATION	ID
	103:13 distribution options arise, there may be		
	103:14 opportunities to secure more favorable		
	103:15 economics for our mobile games."		
	103:16 Do you see that?		
	103:17 A. I do see that, yes.		
108:18 - 108:22	<b>Zerza, Armin 2022-09-22</b>	00:00:14	Zerza.43
 1978.2.8	108:18 Q. Do you see on this document it		
	108:19 says "Currently, we see two potential paths		
	108:20 to improve mobile distribution economics		
	108:21 and both are being pursued in parallel?"		
	108:22 A. I do see that, yes.		
109:07 - 109:23	<b>Zerza, Armin 2022-09-22</b>	00:00:38	Zerza.44
	109:07 Q. And the first path being		
	109:08 pursued were enterprise negotiations with		
	109:09 Google first. Do you see that?		
	109:10 A. I do see that, yeah.		
	109:11 Q. And that's what you just		
	109:12 referred to in your discussions with		
	109:13 Google?		
	109:14 A. What I did say is that, you		
	109:15 know, we evaluated and we continue to		
	109:16 evaluate many different options to		
	109:17 accelerate revenue and income growth. At		
	109:18 the time we were talking to Google about an		
	109:19 enterprise-wide deal, which we obviously		
	109:20 signed with Google in early 2020. At the		
	109:21 time we were also looking at our own mobile		
	109:22 distribution ecosystem, among many other		
	109:23 projects.		
113:03 - 113:20	<b>Zerza, Armin 2022-09-22</b>	00:00:39	Zerza.45
	113:03 Q. At this time was Activision		
	113:04 considering both forms of a mobile game		
	113:05 storefront, its own and then one with		
	113:06 others?		
	113:07 A. Yes, we were.		
 1978.3.1	113:08 Q. And if you turn to the next		
	113:09 page of that document, please.		
	113:10 A. Sure.		
	113:11 Q. You see that there is a slide		
	113:12 titled Project Approach?		


## Zerza

DESIGNATION	SOURCE	DURATION	ID
	113:13 A. I do, yes.		
 1978.3.2	113:14 Q. And the first thing says "App 113:15 developers are looking for ways" -- I 113:16 believe it is a typo -- "to open up 113:17 opportunities to realize savings and put 113:18 pressure on current fees." 113:19 Do you see that? 113:20 A. I do see that, yes.		
114:18 - 115:17	<b>Zerza, Armin 2022-09-22</b>	00:00:49	Zerza.46
 1978.3.1	114:18 Q. Google's rev share fee is a 114:19 platform fee, correct? 114:20 A. Google's rev share fee is a 114:21 royalty we pay to Google on their platform, 114:22 that's correct. 114:23 Q. And under that it says Path 1 114:24 and Path 2? 114:25 A. I do see that, yes. 115:01 115:02 Q. And Path 1 is an enterprise 115:03 negotiation, correct? 115:04 A. That's what the document says. 115:05 Q. And Path 2 is to build your own 115:06 mobile store; is that right? 115:07 A. That's what the document says. 115:08 Q. Okay. And the goals for the 115:09 enterprise negotiation as reflected in this  1978.3.6		
	115:10 document are to capture stronger economics 115:11 for ABK across mobile, YouTube, 115:12 advertising, media spend and cloud. Do you 115:13 see that? 115:14 A. I do see that, yes.		
 1978.3.7	115:15 Q. And it says "100 million plus 115:16 per year value creation for ABK"? 115:17 A. I do see that, yes.		
116:16 - 116:24	<b>Zerza, Armin 2022-09-22</b>	00:00:22	Zerza.47
 1978.3.1	116:16 Q. Okay. With respect, that's not 116:17 my question. My question is Path 2 as 116:18 reflected in the document is building the 116:19 own mobile store, correct? 116:20 A. That is correct, yeah.		


## Zerza

DESIGNATION	SOURCE	DURATION	ID
	116:21 Q. And so as reflected in this		
	116:22 document, should Activision secure real		
	116:23 savings from Google, it would deprioritize		
	116:24 its own mobile store, right?		
117:02 - 117:04	<b>Zerza, Armin 2022-09-22</b>	00:00:04	Zerza.48
	117:02 A. I haven't authored the		
	117:03 document, so I can't tell you what the		
	117:04 author implied here.		
120:16 - 121:10	<b>Zerza, Armin 2022-09-22</b>	00:00:53	Zerza.49
 1978.3.5	120:16 Q. Sure. You see that the goal of		
	120:17 Path 2, Building Own Mobile Store, was to		
	120:18 develop fully functional direct to consumer		
	120:19 front end app and storefront functionality?		
	120:20 A. Yes, I do see that, yes.		
	120:21 Q. And that was in fact the goal		
	120:22 that Activision had at this time for its		
	120:23 own mobile app distribution store, correct?		
	120:24 A. As I said, we were looking at		
	120:25 this project at the time and many times		
	121:01		
	121:02 since then.		
 1978.4.1	121:03 Q. Okay. And if you turn to the		
	121:04 next page there is a slide titled "What is		
	121:05 the mobile storefront for Path 2?"		
	121:06 A. Yup, I see that.		
	121:07 Q. And you see that Path 2 is used		
	121:08 throughout this presentation to mean the		
	121:09 idea of building a mobile app store?		
	121:10 A. I do, yes. I do see that, yes.		
121:19 - 122:03	<b>Zerza, Armin 2022-09-22</b>	00:00:17	Zerza.50
 1978.4.2	121:19 Q. And those bullet points		
	121:20 describe some of the functionality or the		
	121:21 characteristics of the mobile storefront,		
	121:22 correct?		
	121:23 A. It specifically says an Android		
	121:24 mobile app, enables purchasing, etc.,		
	121:25 preinstalled, and so on, yeah, there are a		
	122:01		
	122:02 few bullet points around that, that's		
	122:03 correct.		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
122:13 - 122:16	<b>Zerza, Armin 2022-09-22</b> 122:13 Q. Okay. But these are some of 122:14 the characteristics of Activision's mobile 122:15 storefront as it was envisioned as of 122:16 December 2019, correct?	00:00:08	Zerza.51
122:18 - 123:11  1978.4.1	<b>Zerza, Armin 2022-09-22</b> 122:18 A. So what this, again, this 122:19 document says, "What is the mobile 122:20 storefront?" And it has a few bullet 122:21 points around, very high-level bullet 122:22 points around the idea of the storefront, 122:23 that's correct, yeah. 122:24 Q. And one of the ideas was it 122:25 would be an Android mobile app? 123:01 123:02 A. That's correct, yes. 123:03 Q. The store would enable 123:04 purchasing of games outside of Play Store? 123:05 A. It would enable purchasing, 123:06 that's correct. 123:07 Q. And outside of the Play Store, 123:08 correct? 123:09 A. That's correct, yeah. 123:10 Q. It would enable downloading 123:11 outside of the Play Store?	00:00:31	Zerza.52
123:14 - 123:20	<b>Zerza, Armin 2022-09-22</b> 123:14 A. That's correct, yeah. 123:15 Q. It would enable patching 123:16 outside of the Play Store; is that right? 123:17 A. That is correct, yes. 123:18 Q. It is proposing that it would 123:19 be preinstalled on certain carrier devices, 123:20 correct?	00:00:11	Zerza.53
123:22 - 124:16	<b>Zerza, Armin 2022-09-22</b> 123:22 A. It does -- the document does 123:23 suggest that, yes, that's correct. 123:24 Q. And carrier here means mobile 123:25 carriers such as AT&T or Verizon, correct? 124:01	00:00:37	Zerza.54

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	124:02 A. I'm assuming, yes.		
	124:03 Q. And it also would be		
	124:04     downloadable via the website. Do you see		
	124:05     that?		
	124:06 A. That's what the document says,		
	124:07     yeah.		
 1978.5.1	124:08 Q. And then if you go to the next		
	124:09     page there is actually a mock-up of what		
	124:10     the pilot storefront would look like to		
	124:11     users, correct?		
	124:12 A. That is correct, yes.		
	124:13 Q. And one of the examples that is		
	124:14     used here is how the Candy Crush would look		
	124:15     on the store, correct?		
	124:16 A. That's what it looks like, yes.		
130:17 - 131:11	<b>Zerza, Armin 2022-09-22</b>	00:00:34	Zerza.55
 1978.6.1	130:17 Q. So this document identifies the		
	130:18     project path, the workstream for that		
	130:19     project path, a description of that		
	130:20     workstream, and then the status, correct?		
	130:21 A. That's what the document lays		
	130:22     out.		
 1978.6.4	130:23 Q. And the Path 1 is the		
	130:24     enterprise deal, and the description of		
 1978.6.5	130:25     that says "In discussions and negotiations		
	131:01		
	131:02     between Google and Activision on broader		
	131:03     enterprise agreement (including mobile,		
	131:04     cloud, YouTube, media spend, advertising)." Do you see that?		
	131:05		
	131:06 A. I do see that, yes.		
	131:07 Q. And the status says a proposal		
	131:08     was sent and you were awaiting Google		
	131:09     feedback, correct?		
	131:10 A. That's what this document says,		
	131:11     yes.		
133:24 - 135:01	<b>Zerza, Armin 2022-09-22</b>	00:00:57	Zerza.56
 1978.6.6	133:24 Q. And then if you look at Path 2,		
	133:25     storefront development, there is a		
	134:01		





## Zerza

DESIGNATION	SOURCE	DURATION	ID
	134:02 description of what is happening on that		
	134:03 path, correct?		
	134:04 A. There are multiple -- many		
	134:05 different things that are mentioned here,		
	134:06 that's correct.		
	134:07 Q. And the first bullet says		
	134:08 "Development of minimum viable King branded		
	134:09 product to test functionality and to bring		
	134:10 a demonstration model with real world		
	134:11 results to Mobile World Congress (February		
	134:12 2020)."		
	134:13 Do you see that?		
	134:14 A. That's what the document says,		
	134:15 yes.		
	134:16 Q. And the status of that is "King		
	134:17 branded pilot program scheduled to enter		
	134:18 market December or January targeting		
	134:19 approximately 20,000 installs."		
	134:20 Do you see that?		
	134:21 A. I do see that, yes.		
 1978.7.1	134:22 Q. And then if you go to the next		
	134:23 slide there is a slide entitled Project		
	134:24 Boston Timeline.		
	134:25 A. I do see that, yes.		
	135:01		
135:02 - 135:24	<b>Zerza, Armin 2022-09-22</b>	00:00:51	Zerza.57
 1978.7.2	135:02 Q. And in 2019 the schedule		
	135:03 indicates in the column to the left Minimum		
	135:04 Viable Product. Do you see that?		
	135:05 A. I do see that, yes.		
	135:06 Q. And you see that there are		
	135:07 goals listed there?		
	135:08 A. Under the Product box here?		
	135:09 Q. Yes.		
	135:10 A. I do see that, yeah.		
	135:11 Q. And the very first goal is use		
	135:12 for carrier and distribution negotiations.		
	135:13 Do you see that?		
	135:14 A. I see that, yes.		
	135:15 Q. And the second is to put		


## Zerza

DESIGNATION	SOURCE	DURATION	ID
	135:16 pressure on Google in ongoing negotiations.		
	135:17 Do you see that?		
	135:18 A. I see that bullet point, yes.		
	135:19 Q. And at the very bottom it says		
	135:20 approximately 15 development and tech		
	135:21 resources are being utilized to create the		
	135:22 minimum viable product as of 2019. Do you		
	135:23 see that?		
	135:24 A. I do see that, yes.		
136:14 - 137:07	<b>Zerza, Armin 2022-09-22</b>	00:00:44	Zerza.58
 1978.7.5	136:14 Q. And then in 2020 at the top it		
	136:15 says ABK Integration/Ramp. Do you see		
	136:16 that?		
	136:17 A. I do see that, yes.		
	136:18 Q. There are several bullets about		
	136:19 project attributes that are planned for		
	136:20 2020. Do you see that?		
	136:21 A. I do see that, yes.		
 1978.7.1	136:22 Q. And at the bottom there is an		
	136:23 arrow that says "to scale over time." Do		
	136:24 you see that?		
 1978.7.6	136:25 A. I do see that, yes.		
	137:01		
	137:02 Q. And the plan is to go from		
	137:03 approximately 15 development and tech		
	137:04 resources to approximately 45 to 70		
	137:05 resources, correct?		
	137:06 A. That's what the document says,		
	137:07 yeah.		
137:08 - 137:22	<b>Zerza, Armin 2022-09-22</b>	00:00:31	Zerza.59
 Clear	137:08 Q. And that was consistent with		
	137:09 your understanding of Project Boston at the		
	137:10 time?		
	137:11 A. I cannot confirm that, because		
	137:12 I don't recall what specifically the		
	137:13 resource investment was that we needed to		
	137:14 do that. It sounds very low. We have --		
	137:15 we have a distribution platform. We are		
	137:16 supporting that with hundreds of people.		
	137:17 So this is not consistent with what I would		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	137:18 think it would take to develop a store like 137:19 this. 137:20 Q. You think it would require more 137:21 resources than that? 137:22 A. I do.		
137:23 - 138:13	<b>Zerza, Armin 2022-09-22</b>	00:00:33	Zerza.60
 1978.7.4	137:23 Q. And then you see in 2021 it 137:24 says ABK Solution at Scale? 137:25 A. I do, yes. 138:01 138:02 Q. And the goal there for the 138:03 product is a standalone ABK store and 138:04 distribution platform? 138:05 A. That's what the document says, 138:06 that's correct. 138:07 Q. And the fourth bullet is that 138:08 it would have its own in-house payment 138:09 system to maximize margin? 138:10 A. Yes, that's what the document 138:11 says.		
 1978.9.3	138:12 Q. And then if you turn to the 138:13 slide labeled Project Assumptions.		
138:16 - 138:16	<b>Zerza, Armin 2022-09-22</b>	00:00:02	Zerza.61
	138:16 A. I see that, yeah.		
138:24 - 139:06	<b>Zerza, Armin 2022-09-22</b>	00:00:16	Zerza.62
	138:24 Q. And the end-stage goal of 138:25 Project Boston at this time was "a single 139:01 139:02 mobile distribution solution experience 139:03 with the ability to eventually support all 139:04 ABK titles (and potentially 3rd party) on 139:05 Android devices first"? 139:06 A. Correct, yeah.		
139:12 - 139:19	<b>Zerza, Armin 2022-09-22</b>	00:00:18	Zerza.63
	139:12 Q. And there the project 139:13 assumption for Project Boston at this time 139:14 was that the current Google Play fees of 30 139:15 percent would be reduced to an estimated 139:16 steady state goal of 10 to 12 percent costs		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	139:17 to operate and maintain?		
	139:18 A. I can see what the document		
 Clear	139:19 says, yes.		
139:20 - 139:21	<b>Zerza, Armin 2022-09-22</b>	00:00:04	Zerza.64
	139:20 Q. And that was the assumption for		
	139:21 Project Boston at this time?		
139:23 - 140:07	<b>Zerza, Armin 2022-09-22</b>	00:00:22	Zerza.65
	139:23 A. So I do not recall your last		
	139:24 question or the statement around that		
	139:25 because, as I said, you know, we have		
	140:01		
	140:02 worked through full economics of the		
	140:03 project which were not attractive to us and		
	140:04 that's why we didn't pursue it. So I don't		
	140:05 know -- I don't know where the author took		
	140:06 that specific number, so I cannot confirm		
	140:07 that.		
160:12 - 160:22	<b>Zerza, Armin 2022-09-22</b>	00:00:22	Zerza.66
	160:12 Q. In 2019 Activision was		
	160:13 considering launching its own mobile app		
	160:14 store, correct?		
	160:15 A. Yeah, and we are still looking		
	160:16 at that today, as I mentioned before.		
	160:17 Q. And today is 2022, correct?		
	160:18 A. Yes.		
	160:19 Q. When does your deal with Google		
	160:20 expire, the enterprise deal?		
	160:21 A. Our deal with Google expires in		
	160:22 early to mid '23.		
160:23 - 161:06	<b>Zerza, Armin 2022-09-22</b>	00:00:11	Zerza.67
	160:23 Q. You didn't launch an app store		
	160:24 in 2020, correct?		
	160:25 A. We did not, because the		
	161:01		
	161:02 financials of the store didn't make any		
	161:03 sense.		
	161:04 Q. And you didn't launch an app		
	161:05 store in 2021, correct?		
	161:06 A. No.		


## Zerza

DESIGNATION	SOURCE	DURATION	ID
161:07 - 161:14	<b>Zerza, Armin 2022-09-22</b> 161:07 Q. And you haven't launched an app 161:08 store in 2022, correct? 161:09 A. '22 isn't done yet, but, you 161:10 know, as I said we continue to look at 161:11 different ways to distribute our games 161:12 across different owned and, you know, 161:13 third-party ecosystem. We look at it every 161:14 year.	00:00:19	Zerza.68
161:15 - 161:23	<b>Zerza, Armin 2022-09-22</b> 161:15 Q. You haven't launched an app 161:16 store as of September 22nd, 2022, correct? 161:17 A. That is correct. 161:18 Q. And your deal with Google 161:19 expires in 2023? 161:20 A. In January of -- between 161:21 January and -- between early and the end of 161:22 '23 actually, because some of it is cloud 161:23 which could be later.	00:00:16	Zerza.69
161:24 - 161:25	<b>Zerza, Armin 2022-09-22</b> 161:24 Q. And now you are evaluating 161:25 whether to launch a mobile app store?	00:00:06	Zerza.70
162:03 - 162:07	<b>Zerza, Armin 2022-09-22</b> 162:03 A. I said -- I said we continue to 162:04 evaluate every single year whether or not 162:05 we should introduce new distribution 162:06 systems across third parties and, you know, 162:07 owned and operated systems.	00:00:13	Zerza.71
162:15 - 162:20	<b>Zerza, Armin 2022-09-22</b> 162:15 Q. And every year so far since 162:16 2020 you have decided not to launch a 162:17 mobile app store on Android, correct? 162:18 A. That is correct, because the 162:19 economics of the app store for us are not 162:20 attractive.	00:00:14	Zerza.72
162:21 - 162:23	<b>Zerza, Armin 2022-09-22</b> 162:21 Q. And they might change in 2023, 162:22 right? 162:23 A. I don't know that.	00:00:04	Zerza.73




## Zerza

DESIGNATION	SOURCE	DURATION	ID
179:06 - 179:07	<b>Zerza, Armin 2022-09-22</b>	00:00:03	Zerza.74
 179:06	Q. If you scroll back up to the		
	179:07 page above that --		
179:10 - 179:12	<b>Zerza, Armin 2022-09-22</b>	00:00:03	Zerza.75
	179:10 Q. The one that says Google Deal		
	179:11 Term Summary.		
	179:12 A. Yeah.		
179:18 - 179:22	<b>Zerza, Armin 2022-09-22</b>	00:00:13	Zerza.76
 179:18	What are the categories of the		
	179:19 Google obligations referenced on this page?		
	179:20 A. They include Google Play,		
	179:21 YouTube, so e-sports, media spend, cloud		
	179:22 spend, and advertising.		
181:02 - 181:10	<b>Zerza, Armin 2022-09-22</b>	00:00:20	Zerza.77
 Clear	181:02 Q. The first bullet under		
	181:03 Activision's Obligations is "Deliver mobile		
	181:04 games to Google Play at parity with other		
	181:05 mobile platforms."		
	181:06 A. Yeah, I do see that.		
	181:07 Q. That's something you committed		
	181:08 to in connection with your January 2020		
	181:09 enterprise deal with Google?		
	181:10 A. That's correct.		
181:11 - 181:15	<b>Zerza, Armin 2022-09-22</b>	00:00:15	Zerza.78
	181:11 Q. That would prohibit Activision		
	181:12 from launching its own mobile platform and		
	181:13 delivering its mobile games to that new		
	181:14 mobile platform on better terms than it		
	181:15 delivers to Google, correct?		
181:18 - 182:19	<b>Zerza, Armin 2022-09-22</b>	00:01:10	Zerza.79
	181:18 A. So, first of all, it does not		
	181:19 prohibit us to launch our own mobile		
	181:20 distribution platform, and, secondly, it		
	181:21 does also not prohibit us from delivering		
	181:22 it at better terms. These are many		
	181:23 different things.		
	181:24 So what this does is -- I mean,		
	181:25 you are from Epic, so players play games		
	182:01		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	182:02 today across many different ecosystems. We		
	182:03 just launched a game called Diablo Immortal		
	182:04 in the market and you can play it across PC		
	182:05 and mobile ecosystems today. You know, it		
	182:06 is in our interest, because players are,		
	182:07 you know, highly interested in playing		
	182:08 socially together across platform to ensure		
	182:09 that you provide players the same content		
	182:10 at the same time. So that's what parity		
	182:11 means in this specific context.		
	182:12 You know, I do very		
	182:13 specifically recall that we actually, you		
	182:14 know, preserved the ability to launch our		
	182:15 own mobile distribution store. We also		
	182:16 preserved the ability to make sure that we		
	182:17 can launch our own business models on the		
	182:18 mobile store. So the broad statement that		
	182:19 you just made is not correct.		
187:23 - 188:03	<b>Zerza, Armin 2022-09-22</b>	00:00:09	Zerza.80
	187:23 never receive the co-marketing support.		
	187:24 Q. But the revenues were generated		
	187:25 by the games being sold on the Google Play		
	188:01		
	188:02 Store, correct?		
	188:03 A. Yes, that's correct.		
190:24 - 190:24	<b>Zerza, Armin 2022-09-22</b>	00:00:02	Zerza.81
 1980	190:24 Q. You have in front of you		
190:25 - 192:04	<b>Zerza, Armin 2022-09-22</b>	00:01:04	Zerza.82
	190:25 Exhibit 1980?		
	191:01		
	191:02 A. I do, yes.		
	191:03 Q. Do you recognize it?		
	191:04 A. I do, yes.		
	191:05 Q. What is it?		
	191:06 A. So if I recall correctly, these		
	191:07 were the high-level terms for the overall		
	191:08 corporate agreement between Google and		
	191:09 Activision which was followed by		
	191:10 specific -- or accompanied and/or followed,		
	191:11 I think some of those agreements were sent		

## Zerza


DESIGNATION	SOURCE	DURATION	ID
	191:12 at the same time, some at a later time, by		
	191:13 specific agreements around cloud, YouTube,		
	191:14 etc.		
	191:15 Q. The title of this document is		
	191:16 Terms for Strategic Partnership Between		
	191:17 Google LLC and Activision Blizzard King?		
	191:18 A. That's correct.		
 1980.5.1	191:19 Q. You signed this document on		
	191:20 page 5?		
	191:21 A. I did, yes.		
 1980.5.2	191:22 Q. It is dated January 24th, 2020?		
	191:23 A. That is correct, yes.		
	191:24 Q. This terms for strategic		
	191:25 partnership agreement reflects the deal		
	192:01		
	192:02 that was presented to the board of		
	192:03 directors of Activision in January 2020?		
	192:04 A. Broadly speaking, yes.		
193:13 - 193:15	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.83
 Clear	193:13 Q. Mr. Zerza, I marked another		
	193:14 exhibit as Exhibit 1981. If you can open		
	193:15 that up. Let me know when you have it.		
193:18 - 193:24	<b>Zerza, Armin 2022-09-22</b>	00:00:15	Zerza.84
	193:18 A. I do see that exhibit. It is		
	193:19 called King - Making the World Playful.		
	193:20 Q. That is the cover page. If you		
	193:21 turn to the next page, do you see that the		
	193:22 next page is titled Boston - Project Review		
	193:23 May 2020?		
	193:24 A. I do see that, yes.		
195:22 - 196:01	<b>Zerza, Armin 2022-09-22</b>	00:00:13	Zerza.85
	195:22 Q. Sure. This presentation is		
	195:23 entitled Boston - Project Review, correct?		
	195:24 A. One second. That's what the		
	195:25 presentation slide says.		
	196:01		
196:02 - 196:05	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.86
	196:02 Q. And it is dated May 2020,		
	196:03 correct?		



## Zerza

DESIGNATION	SOURCE	DURATION	ID
	196:04 A. That's what the document says, 196:05 correct.		
196:11 - 196:17	<b>Zerza, Armin 2022-09-22</b>	00:00:16	Zerza.87
	196:11 Q. The name of this slide is Pivot 196:12 Context & Goals, correct? 196:13 A. I do see that title here, yes. 196:14 Q. There is a bullet that says 196:15 Context, and then a paragraph below it, 196:16 correct? 196:17 A. Yes, I do see that, yes.		
196:18 - 197:11	<b>Zerza, Armin 2022-09-22</b>	00:00:45	Zerza.88
	196:18 Q. The first sentence says that 196:19 Activision has made the decision to pivot 196:20 the plans for Boston, correct? 196:21 A. That's not what I read here. 196:22 This says "Evaluation of risks and plans 196:23 triggered by changes." I don't see 196:24 anything that Activision made a decision. 196:25 Q. The end of that sentence says 197:01 197:02 "It led us," meaning Activision, "to make 197:03 the decision to pivot the plans for 197:04 Boston." 197:05 A. That's what you are implying. 197:06 That's what you are implying. I cannot 197:07 confirm that, because I have not been the 197:08 author of the document nor do I know what 197:09 "us" means in this context. 197:10 Q. Well, this is an Activision 197:11 presentation, right?		
197:13 - 197:13	<b>Zerza, Armin 2022-09-22</b>	00:00:03	Zerza.89
	197:13 A. No, it is a King presentation.		
197:23 - 197:25	<b>Zerza, Armin 2022-09-22</b>	00:00:06	Zerza.90
	197:23 Q. Okay. King is a subsidiary of 197:24 Activision Blizzard, right? 197:25 A. That is correct, yes.		
198:15 - 198:24	<b>Zerza, Armin 2022-09-22</b>	00:00:28	Zerza.91
	198:15 Q. The second sentence of the 198:16 slide labeled Pivot Context & Goals reads		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	198:17 "In practice we are pausing the Android 198:18 distribution piece." 198:19 Do you see that? 198:20 A. I do see that, yes. 198:21 Q. One part of Project Boston was 198:22 to develop ABK's own game store pursuant to 198:23 which games would be distributed on 198:24 Android, correct?		
199:02 - 199:06	 Clear <b>Zerza, Armin 2022-09-22</b>	00:00:13	Zerza.92
	199:02 A. So one part of what we called 199:03 Project Boston was to create our own 199:04 distribution store in the Android ecosystem 199:05 to distribute our own games and potentially 199:06 third-party games, that's correct.		
203:16 - 203:18	<b>Zerza, Armin 2022-09-22</b>	00:00:06	Zerza.93
	203:16 Mr. Zerza, do players play 203:17 games across many different ecosystems 203:18 today?		
203:21 - 204:08	<b>Zerza, Armin 2022-09-22</b>	00:00:34	Zerza.94
	203:21 A. 100 percent. We know this from 203:22 all of our data that players play across 203:23 many different ecosystems, many different 203:24 genres. The nature of game play has become 203:25 more and more a social interaction of 204:01 204:02 players across different ecosystems, and I 204:03 just mentioned Diablo Immortal which we 204:04 just launched is a great example of that. 204:05 We did launch it, you know, purposefully 204:06 across platforms because we know players 204:07 engage across different platforms and 204:08 ecosystems.		
204:09 - 204:25	<b>Zerza, Armin 2022-09-22</b>	00:00:45	Zerza.95
	204:09 Q. Is Diablo Immortal offered on 204:10 more than one mobile ecosystem today? 204:11 A. It is. It is offered, and I 204:12 wouldn't be able to name all of them, 204:13 because there is many out there, but it is 204:14 Apple, Google, it is the ONE Store in		



## Zerza

DESIGNATION	SOURCE	DURATION	ID
	204:15 Korea, it is many different stores in		
	204:16 China. Yes, that's correct.		
	204:17 Q. Are players on iPhones who play		
	204:18 Diablo Immortal able to play together with		
	204:19 players on Android who are playing Diablo		
	204:20 Immortal?		
	204:21 A. Yes, they can, that's the		
	204:22 nature of cross-platform games. And not		
	204:23 just that, they can play with players on		
	204:24 PC, which is -- which is exactly what we		
	204:25 want.		
207:24 - 208:03	<b>Zerza, Armin 2022-09-22</b>	00:00:08	Zerza.96
	207:24 Q. Is Activision able to have		
	207:25 users sideload games on iPhones?		
	208:01		
	208:02 A. I don't know the answer to		
	208:03 that.		
208:04 - 208:09	<b>Zerza, Armin 2022-09-22</b>	00:00:14	Zerza.97
	208:04 Q. Is Activision able to create		
	208:05 its own app store for iPhone users?		
	208:06 A. Based on what I know, we are		
	208:07 not able to do that today.		
	208:08 Q. And why is Activision unable to		
	208:09 do that?		
208:12 - 208:14	<b>Zerza, Armin 2022-09-22</b>	00:00:06	Zerza.98
	208:12 A. Why are we unable to do that?		
	208:13 Because it's not consistent with Apple's		
	208:14 policies and ecosystem.		
208:15 - 208:21	<b>Zerza, Armin 2022-09-22</b>	00:00:22	Zerza.99
	208:15 Q. Are there app stores available		
	208:16 for the iPhone where Activision can sell		
	208:17 apps to users other than Apple's App Store?		
	208:18 A. I am not aware of any.		
	208:19 Q. Can Activision use an in-app		
	208:20 purchase system for iPhone apps other than		
	208:21 the Apple in-app purchase system?		
208:24 - 208:24	<b>Zerza, Armin 2022-09-22</b>	00:00:02	Zerza.100
	208:24 A. I'm not aware of any.		
208:25 - 209:08	<b>Zerza, Armin 2022-09-22</b>	00:00:20	Zerza.101

**Zerza**

DESIGNATION	SOURCE	DURATION	ID
	208:25 Q. What is Apple's platform fee 209:01 209:02 when Activision sells a game app through 209:03 the Apple App Store? 209:04 A. 30 percent. 209:05 Q. What is Apple's platform fee 209:06 when Activision sells an in-app purchase to 209:07 a user through an iPhone app? 209:08 A. 30 percent.		Zerza.101
209:09 - 209:22	<b>Zerza, Armin 2022-09-22</b> 209:09 Q. So you have testified 209:10 previously about a deal or a series of 209:11 deals that Activision signed with Google in 209:12 the beginning of 2020. Do you recall that? 209:13 A. I do, yes. 209:14 Q. Does Activision's deal with 209:15 Google prevent it from creating its own app 209:16 store for Android users? 209:17 A. It does not. 209:18 Q. Does Activision have any 209:19 agreement, whether written or otherwise, 209:20 with Google that it will not launch a 209:21 competing Android app store? 209:22 A. Not at all.	00:00:33	Zerza.102
209:23 - 210:16	<b>Zerza, Armin 2022-09-22</b> 209:23 Q. Are you familiar with something 209:24 called the Galaxy Store from Samsung? 209:25 A. You mean the Samsung Galaxy 210:01 Store? I am. 210:02 210:03 Q. Does Activision's deal with 210:04 Google prevent Activision from distributing 210:05 its game apps to Android users via the 210:06 Galaxy Store? 210:07 A. It does not. 210:08 Q. Does Activision's deal with 210:09 Google prevent Activision from distributing 210:10 its game apps to Android users via any 210:11 other app store? 210:12 A. No, it does not.	00:00:42	Zerza.103

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	210:13 Q. Does Activision's deal with 210:14 Google prevent it from having users 210:15 sideload games to Android phones? 210:16 A. It does not.		
211:19 - 211:24	<b>Zerza, Armin 2022-09-22</b>	00:00:15	Zerza.104
 1979.1	211:19 Q. If you could take a look at 211:20 Exhibit 1979. This was the board 211:21 presentation that you were looking at 211:22 before. And just tell me when you have 211:23 that up. 211:24 A. I do, yes.		
212:07 - 213:13	<b>Zerza, Armin 2022-09-22</b>	00:01:13	Zerza.105
 Clear	212:07 Q. You testified earlier that in 212:08 your discussions with Google your aim was 212:09 to negotiate a win-win deal that benefited 212:10 both parties. Do you remember that? 212:11 A. That is correct, yes. 212:12 Q. You also testified that that in 212:13 fact is your goal in negotiations with all 212:14 of your partners; is that right? 212:15 A. That's 100 percent right. It 212:16 is the nature of partnerships, if they are 212:17 not win-win they don't sustain over the 212:18 long term. So we are very interested to 212:19 make it a win-win for both parties. 212:20 Q. And you testified that in 212:21 negotiating with Google, as far as ABK was 212:22 concerned, you were focused on the overall 212:23 value creation for ABK. Do you remember 212:24 that? 212:25 A. Yes, 100 percent. 213:01 213:02 Q. The deal between ABK and Google 213:03 was heavily negotiated, correct? 213:04 A. Over many, many months, in 213:05 many, many different discussions, yeah, 213:06 that's correct. 213:07 Q. And, in fact, ABK was also 213:08 negotiating with another cloud platform 213:09 provider at the same time; isn't that true?		






## Zerza

DESIGNATION	SOURCE	DURATION	ID
	213:10 A. That is correct. I would 213:11 actually broaden the statement to another 213:12 provider that touched multiple verticals, 213:13 not just one.		
213:14 - 213:23	<b>Zerza, Armin 2022-09-22</b>	00:00:18	Zerza.106
 1979.1	213:14 Q. So if you could take a look at 213:15 just the cover page of Exhibit 1979. 213:16 A. Yeah. 213:17 Q. There is a box that is redacted 213:18 on that front page. 213:19 A. Yeah. 213:20 Q. And that's because indeed this 213:21 was a presentation about two competing 213:22 proposals; isn't that true? 213:23 A. That is correct.		
214:04 - 214:16	<b>Zerza, Armin 2022-09-22</b>	00:00:31	Zerza.107
 1979.2	214:04 Q. Down at the bottom can you read 214:05 what the last bullet point says.		
 1979.2.1	214:06 A. "Note: These deals are 214:07 mutually exclusive and ABK will only enter 214:08 into the one we determine as the best 214:09 option." 214:10 Q. And, in fact, ABK entered into 214:11 the deal with Google and not the other 214:12 deal, correct? 214:13 A. That is correct. 214:14 Q. And ABK did that because it 214:15 determined that that was the best option? 214:16 A. That is correct.		
215:24 - 216:02	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.108
	215:24 Q. I would like you to, with that 215:25 in mind, turn back to Exhibit 1979, the 216:01		
 1979.6	216:02 board presentation.		
216:03 - 216:03	<b>Zerza, Armin 2022-09-22</b>	00:00:02	Zerza.109
	216:03 A. Yup, I'm back.		
216:09 - 217:03	<b>Zerza, Armin 2022-09-22</b>	00:00:43	Zerza.110
	216:09 Q. And this page is titled Deal 216:10 Value Creation; is that correct?		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
 1979.6.1	216:11 A. That is correct.		
	216:12 Q. And the headline says that the		
	216:13 Google deal proposal provides 310 million		
	216:14 of value creation over three years,		
	216:15 correct?		
	216:16 A. Yeah, that's correct.		
	216:17 Q. That's right in line with the		
	216:18 goal of over \$100 million of deal value per		
	216:19 year, isn't it?		
	216:20 A. That is correct.		
	216:21 Q. So you met your goal?		
	216:22 A. We did. You are a Google		
	216:23 lawyer, so -- yeah, anyway, you are a		
	216:24 lawyer, you will not share this with the		
	216:25 Google business team. I would be very		
217:04 - 217:05	217:01		
	217:02 concerned if the Google business team knew		
 1979.4	217:03 that.		
	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.111
217:06 - 217:11	217:04 Q. If you could take a look at		
	217:05 page 4 in this presentation.		
217:18 - 218:05	<b>Zerza, Armin 2022-09-22</b>	00:00:10	Zerza.112
	217:06 A. Page 4, give me one second.		
	217:07 Yeah.		
	217:08 Q. This is the Google deal term		
	217:09 summary page, correct?		
	217:10 A. That is the term summary, that		
	217:11 is correct.		
 1979.4.1	<b>Zerza, Armin 2022-09-22</b>	00:00:31	Zerza.113
	217:18 Q. The Google obligations refers		
	217:19 to 20 million, 15 million and 15 million in		
	217:20 annual co-marketing across three years,		
	217:21 correct?		
	217:22 A. That is correct, if certain		
	217:23 gross revenue thresholds are met.		
	217:24 Q. Exactly. So those are not		
	217:25 promised to you no matter what, those are		
	218:01		
	218:02 things you only get if those contingencies,		
	218:03 those gross revenue bookings are met,		

## Zerza





DESIGNATION	SOURCE	DURATION	ID
	218:04 correct?		
	218:05 A. That is correct, yes.		
218:15 - 218:19	<b>Zerza, Armin 2022-09-22</b>	00:00:11	Zerza.114
	218:15 Q. But ABK wasn't obligated to		
	218:16 meet those commitments, correct?		
 1979.4.4	218:17 A. No. That's why we have no		
	218:18 financial commitment on the right-hand		
	218:19 side. I hope we clarified that before.		
219:07 - 219:20	<b>Zerza, Armin 2022-09-22</b>	00:00:39	Zerza.115
	219:07 Q. I would		
	219:08 like you to take a look at the detailed		
 1980.1	219:09 term sheet.		
	219:10 A. You are bringing up my memories		
	219:11 here from many years ago. Is it a new		
	219:12 exhibit or is it the same?		
	219:13 Q. No, this is the one you looked		
	219:14 at which is Exhibit 1980.		
	219:15 A. 1980, okay. Okay, I'm there.		
 1980.2	219:16 Q. I would like you to take a		
	219:17 look, first of all, at the second page.		
 1980.2.1	219:18 You will see a heading -- you see the		
	219:19 heading 2. ABK Obligations?		
	219:20 A. Yeah, I do.		
220:02 - 220:05	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.116
	220:02 Q. So this is describing some of		
	220:03 ABKs obligations under the term sheet,		
	220:04 correct?		
	220:05 A. That is correct, yeah.		
220:11 - 220:22	<b>Zerza, Armin 2022-09-22</b>	00:00:33	Zerza.117
 1980.3.1	220:11 Q. And it says that "ABK agrees to		
	220:12 launch all new mobile video game		
	220:13 applications, except for mobile video game		
	220:14 applications used for development and		
	220:15 testing, on Google Play at the same date or		
	220:16 prior to the date that ABK launches such		
	220:17 mobile video game applications on any other		
	220:18 app stores and that Google Play users will		
	220:19 not be disadvantaged in terms of the core		
	220:20 game quality and content."		






## Zerza

DESIGNATION	SOURCE	DURATION	ID
	220:21 Do you see that?		
	220:22 A. Yeah, that's correct.		
220:23 - 220:25	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.118
	220:23 Q. And then after that there is		
	220:24 some exclusions for the Republic of China?		
	220:25 A. Yeah, I do see that.		
221:02 - 221:04	<b>Zerza, Armin 2022-09-22</b>	00:00:06	Zerza.119
	221:02 Q. So I think this is -- is this		
	221:03 consistent with the testimony you were		
	221:04 offering earlier today?		
221:07 - 221:07	<b>Zerza, Armin 2022-09-22</b>	00:00:01	Zerza.120
	221:07 A. It is consistent.		
221:08 - 221:23	<b>Zerza, Armin 2022-09-22</b>	00:00:40	Zerza.121
	221:08 Q. The first part of that, the		
	221:09 agreement to launch all new video game		
	221:10 applications on the same date or prior, is		
	221:11 that sometimes referred to as sim ship?		
	221:12 Have you ever heard that?		
	221:13 A. Yeah, we do. And, as I said,		
	221:14 it is in our interest to sim ship, because		
	221:15 we don't want to insult any user on any		
	221:16 platform. In a globally connected world		
	221:17 and with players playing across platforms,		
	221:18 it's the last thing we want to do.		
	221:19 Q. You want all of your players		
	221:20 across all platforms to be able to play		
	221:21 with each other rather than some having to		
	221:22 wait. Is that the idea?		
	221:23 A. That is the idea.		
221:24 - 222:06	<b>Zerza, Armin 2022-09-22</b>	00:00:14	Zerza.122
	221:24 Q. And the other requirement here		
	221:25 refers to core game quality and content.		
	222:01		
	222:02 A. Uh-huh.		
	222:03 Q. And that's the other aspect to		
	222:04 this parity requirement that we saw in the		
	222:05 board presentation; isn't that true?		
	222:06 A. That's correct.		
222:07 - 222:20	<b>Zerza, Armin 2022-09-22</b>	00:00:34	Zerza.123

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	222:07 Q. Do you see anything in this		Zerza.123
	222:08 that requires that there be price parity		
	222:09 across platforms?		
	222:10 A. No, and I mentioned that		
	222:11 before, we are not required to have		
	222:12 business model parity nor are we -- nor are		
	222:13 we prohibited from launching our own store		
	222:14 on any other stores. It is very clear.		
	222:15 Q. Is there anything in this		
	222:16 provision that says that ABK can't launch		
	222:17 its games on other Android app stores?		
	222:18 A. No, we discussed it before, and		
	222:19 we can even launch it in our own store if		
	222:20 we want to do that.		
222:21 - 223:03	<b>Zerza, Armin 2022-09-22</b>	00:00:17	Zerza.124
 1980.1	222:21 Q. In the end, ABK chose the		
	222:22 Google deal because it was the more		
	222:23 competitive deal for ABK; isn't that true?		
	222:24 A. That is correct. It had		
	222:25 better -- it had better economics and		
	223:01		
	223:02 better terms over the competitive deal at		
	223:03 hand.		
223:04 - 223:06	<b>Zerza, Armin 2022-09-22</b>	00:00:10	Zerza.125
 1979.1	223:04 Q. Let's go back to the easier to		
	223:05 read board presentation, Exhibit 1979.		
	223:06 A. Okay, thank you.		
223:07 - 223:10	<b>Zerza, Armin 2022-09-22</b>	00:00:10	Zerza.126
 1979.4	223:07 Q. In 1979, let's take a look		
	223:08 again at page 4, which is the Google Deal		
	223:09 Term Summary.		
	223:10 A. Page 4, I'm there, yes.		
223:11 - 223:18	<b>Zerza, Armin 2022-09-22</b>	00:00:18	Zerza.127
 1979.4.4	223:11 Q. So as we just -- as you were		
	223:12 just explaining, there is no financial		
	223:13 commitment for ABK for Google Play,		
	223:14 correct?		
	223:15 A. That is correct.		
	223:16 Q. And there is no exclusivity		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	223:17 commitment for Google either?		
	223:18 A. Not at all.		
223:22 - 224:06	<b>Zerza, Armin 2022-09-22</b>	00:00:20	Zerza.128
 1979.3	223:22 Q. So this page discussing the		
	223:23 strategic rationale, this was, actually		
	223:24 because of the redactions, without the		
	223:25 redactions, this was discussing two		
	224:01		
	224:02 different possible deals, correct?		
	224:03 A. That is correct.		
	224:04 Q. And at the top it has the ABK		
	224:05 rationale for each of the deals, correct?		
	224:06 A. That is correct.		
224:12 - 224:16	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.129
	224:12 Q. It uses the term -- it uses the		
	224:13 term "partner" because depending on what		
	224:14 column you are looking at, the partner is a		
	224:15 different company, correct?		
	224:16 A. That is correct.		
224:21 - 225:03	<b>Zerza, Armin 2022-09-22</b>	00:00:19	Zerza.130
 1979.3.1	224:21 Q. But as to the first column of		
	224:22 the strategic rationale page, which is		
	224:23 titled ABK/Google, the partner rationale is		
 1979.3.5	224:24 referring to Google's rationale as you		
	224:25 interpret it?		
	225:01		
	225:02 A. That's correct. These are our		
	225:03 words, not Google's words.		
225:04 - 225:07	<b>Zerza, Armin 2022-09-22</b>	00:00:10	Zerza.131
 1979.3.3	225:04 Q. And the partner rationale for		
	225:05 Google doesn't say anything about anything		
	225:06 being exclusive to Google, does it?		
	225:07 A. That is correct.		
225:08 - 225:11	<b>Zerza, Armin 2022-09-22</b>	00:00:08	Zerza.132
	225:08 Q. And you've testified that ABK		
	225:09 has looked into other ways of distributing		
	225:10 apps to Android users; isn't that true?		
	225:11 A. We have, yes.		
225:12 - 225:13	<b>Zerza, Armin 2022-09-22</b>	00:00:04	Zerza.133

## Zerza

DESIGNATION	SOURCE	DURATION	ID
 10811.1	225:12 MR. KWUN: I'm going to		Zerza.133
	225:13 introduce an actual new exhibit now.		
225:18 - 225:25	<b>Zerza, Armin 2022-09-22</b>	00:00:15	Zerza.134
	225:18 Q. So this -- you testified		
	225:19 earlier about some e-mails between you and		
	225:20 Tim Sweeney. Do you remember that?		
	225:21 A. I did, yes.		
	225:22 Q. And those were some e-mails		
	225:23 about a potential alternative app store;		
	225:24 isn't that true?		
	225:25 A. That is correct.		
226:02 - 226:12	<b>Zerza, Armin 2022-09-22</b>	00:00:30	Zerza.135
	226:02 Q. So if you look, this is really		
	226:03 just the next e-mail in that same thread		
	226:04 that you were looking at before, so if you		
	226:05 look at the second e-mail from the top		
	226:06 here, you can see the e-mail you previously		
	226:07 reviewed talking about Blizzard's initial		
	226:08 thinking about a joint mobile store. Do		
	226:09 you see that?		
	226:10 A. I do see that. So everything		
	226:11 is the same but the top, I see this, yeah,		
	226:12 the e-mail from Tim Sweeney, yeah.		
232:13 - 232:16	<b>Zerza, Armin 2022-09-22</b>	00:00:07	Zerza.136
 10811.1.6	232:13 Q. In response to Mr. Sweeney's		
	232:14 e-mail, you sent an e-mail on June 27th,		
	232:15 2019 at 7:46 p.m. Do you see that in		
	232:16 Exhibit 10811?		
232:17 - 232:17	<b>Zerza, Armin 2022-09-22</b>	00:00:01	Zerza.137
	232:17 A. I do, yeah.		
232:18 - 232:20	<b>Zerza, Armin 2022-09-22</b>	00:00:05	Zerza.138
	232:18 Q. You offered your thinking on a		
	232:19 joint mobile store; is that correct?		
	232:20 A. That is correct.		
232:21 - 233:14	<b>Zerza, Armin 2022-09-22</b>	00:00:47	Zerza.139
	232:21 Q. That joint mobile store would		
	232:22 have been run by Epic, SuperCell and ABK;		
	232:23 is that correct?		
	232:24 A. Yes and no. So we wanted to be		

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	232:25 the leading, you know, party to that store, 233:01 233:02 but it would be a joint store, you are 233:03 correct. So when you say run by, you know 233:04 what I mean with yes or no. Yes means yes, 233:05 there are multiple parties to the store, 233:06 but we wanted to take the ownership, you 233:07 know, of driving that project and store 233:08 together with other parties to conclusion, 233:09 rather than another party taking the 233:10 ownership. 233:11 Q. Would a joint store like that 233:12 offer Activision the ability to have a 233:13 direct relationship with its customers? 233:14 A. Yes.		
233:15 - 233:19	<b>Zerza, Armin 2022-09-22</b> 233:15 Q. If you look at Mr. Sweeney's 10811.1.7 233:16 response on June 29th he says that he is 10811.1.5 233:17 very skeptical of a consortium operated 233:18 store. Do you see that? 233:19 A. I do.	00:00:12	Zerza.140
233:24 - 234:06	<b>Zerza, Armin 2022-09-22</b> 10811.1.3 233:24 Q. He says that "For any store to 233:25 succeed it needs a business behind it that 234:01 234:02 can move quickly and decisively, has a 234:03 profit incentive, and can invest to the 234:04 full extent needed for success." 234:05 Do you see that? 234:06 A. I do see that, yes.	00:00:13	Zerza.141
235:09 - 235:13	<b>Zerza, Armin 2022-09-22</b> Clear 235:09 In all of your discussions with 235:10 Mr. Sweeney, did he ever show an openness 235:11 to a store that Activision would be at 235:12 least partially responsible for running and 235:13 operating?	00:00:16	Zerza.142
235:16 - 235:16	<b>Zerza, Armin 2022-09-22</b> 235:16 A. I'm not aware of that.	00:00:02	Zerza.143
237:17 - 237:21	<b>Zerza, Armin 2022-09-22</b>	00:00:14	Zerza.144

## Zerza

DESIGNATION	SOURCE	DURATION	ID
	237:17 Q. You testified earlier that the		Zerza.144
	237:18 reason why Activision hadn't launched such		
	237:19 a store is because the financials weren't		
	237:20 good enough, correct?		
	237:21 A. That is correct.		
237:22 - 239:11	<b>Zerza, Armin 2022-09-22</b>	00:01:24	Zerza.145
	237:22 Q. Is that because there would be		
	237:23 costs associated with launching your own		
	237:24 store?		
	237:25 A. Yes, there would be development		
	238:01		
	238:02 costs, there would be marketing costs, and		
	238:03 many other costs.		
	238:04 Q. Would there also be risks that		
	238:05 the store would be a failure?		
	238:06 A. 100 percent.		
	238:07 Q. Are those risks part of what		
	238:08 Activision considered in deciding not to		
	238:09 launch its own app store?		
	238:10 A. Of course, yes. There is a		
	238:11 wide range of outcomes of a store like		
	238:12 this, and, you know, ultimately the size of		
	238:13 the price relative to the investment didn't		
	238:14 stack up with that opportunity cost.		
	238:15 And the opportunity cost		
	238:16 concept is also very important here. You		
	238:17 know, as I mentioned, we are a		
	238:18 multi-billion-dollar company. For us it is		
	238:19 important that returns of any of our		
	238:20 projects are in the multi-billion or at		
	238:21 least multi-hundred-million-dollar range.		
	238:22 So we prioritize our results, and it is my		
	238:23 job as CFO, we prioritize our investments		
	238:24 against the biggest opportunities.		
	238:25 So in this case we prioritized,		
	239:01		
	239:02 you know, investing into our core		
	239:03 franchises and putting resources behind		
	239:04 that. You know, specifically a great		
	239:05 example is King and Candy, and you can look		

**Zerza**

DESIGNATION	SOURCE	DURATION	ID
239:06	at all the public data, obviously we have		
239:07	made the right decision. We have grown		
239:08	King Candy Crush double digits for many		
239:09	years now. There are billions of dollars		
239:10	of value creation for the company behind		
239:11	that.		

Designation	00:56:14
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<b>TOTAL RUN TIME</b>	<b>00:56:14</b>
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Documents linked to video:

1977

1978

1979

1980

10811

## **Deposition Designations of Mark Sottosanti**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.



**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
9:18 - 9:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.1
	9:18 Could you state full for the record?		
	9:19 A. Yes. Mark Edward Sottosanti and it's nice to		
	9:20 meet you, too.		
9:21 - 10:03	<b>Sottosanti, Mark 2023-10-27</b>	00:00:20	Sottosanti.2
	9:21 Q. And where are you currently employed?		
	9:22 A. Riot Games.		
	9:23 Q. And how long have you been employed at Riot?		
	9:24 A. Since summer of 2012.		
	9:25 Q. And what's your current title?		
	10:01 A. Chief Financial Officer.		
	10:02 Q. And how long have you held that role?		
	10:03 A. Little over two years.		
10:23 - 11:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:45	Sottosanti.3
	10:23 When you were, I think, vice-president, senior VP of		
	10:24 corporate strategy and development, what were your		
	10:25 general responsibilities in those roles?		
	11:01 A. I was on a couple teams related to investments		
	11:02 and acquisitions. And I was responsible for revenue		
	11:03 decisions, you know, monetization of games.		
	11:04 And then, you know, some related, you know,		
	11:05 strategy, explorations and decisions. And then I had		
	11:06 some involvement with corporate partnerships, such as		
	11:07 those with Google, but they were directly managed by		
	11:08 members of my team and (inaudible).		
13:19 - 14:22	<b>Sottosanti, Mark 2023-10-27</b>	00:01:40	Sottosanti.4
	13:19 Q. So let's talk a little bit about		
	13:20 Riot Games, where you're currently employed. What does		
	13:21 Riot Games do?		
	13:22 A. We make video games, online games, that are free		
	13:23 to play to players, where they have optional ways to		
	13:24 spend money.		
	13:25 And we deliver those games for players, we		
	14:01 publish them in most countries around the world. And we		
	14:02 run e-sports, electronic sports related to those games,		
	14:03 and other types of entertainment such as TV shows		
	14:04 related to those games.		
	14:05 Q. And the games that Riot Games develops and		
	14:06 publishes, what platforms are they available to be		

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	14:07 played?		
	14:08 A. Historically our games have been PC focused and		
	14:09 only available on PC. For the first time, I believe, in		
	14:10 2019 we began to make our first game available on		
	14:11 mobile.		
	14:12 And then we're working towards making them		
	14:13 available on console platforms such as Xbox and Sony		
	14:14 Play Station.		
	14:15 Q. And what are some of the titles of the video		
	14:16 games or games that Riot Games publishes?		
	14:17 A. So we've only ever published five games. And		
	14:18 their titles are League of Legends, that's the original.		
	14:19 Then more recently we have Valorant. Then the		
	14:20 third one is Wild Rift.		
	14:21 Fourth one is Team Fight Tactics, and the fifth		
	14:22 one Legends of Runeterra.		
25:05 - 25:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:25	Sottosanti.5
	25:05 When Riot launched its games on mobile, did it		
	25:06 launch on Google Play and Apple app store at the same		
	25:07 time?		
	25:08 A. Yes, my recollection is that we did with the		
	25:09 possible exception of some testing.		
	25:10 Q. But generally for the release to the public,		
	25:11 they were released at the same time on both the Play		
	25:12 Store and Apple app store; is that right?		
	25:13 A. Yes.		
26:08 - 26:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:14	Sottosanti.6
	26:08 Q. Do you know what service fee that Riot pays		
	26:09 Apple for in-app purchases of games on Riot's mobile		
	26:10 games?		
	26:11 A. Thirty percent is my understanding.		
28:10 - 28:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:39	Sottosanti.7
	28:10 Q. And are you aware whether Riot engaged in		
	28:11 discussions with Google about potentially launching		
	28:12 Riot's mobile titles on Google Play?		
	28:13 A. Yes, my team did work on that.		
	28:14 Q. And do you recall approximately when those		
	28:15 discussions first began?		
	28:16 A. I would think sometime late 2018, maybe 2019.		
	28:17 But most likely 2018.		































































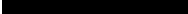
## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	28:18 Q. And that was before Riot had distributed any 28:19 titles on mobile; is that correct? 28:20 A. Yes.		
32:11 - 32:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:36	Sottosanti.8
	32:11 And Mr. Sottosanti, why was Riot interested in 32:12 launching its games on Google Play? 32:13 A. Well, I think whenever we launch a game we look 32:14 at how we can reach the most possible players. And when 32:15 we decided to launch our games on mobile, it was pretty 32:16 clear that most players access games through Google Play 32:17 store or Apple app store. 32:18 Q. So the size or the reach of the audience was an 32:19 important factor in working with Google Play; is that 32:20 correct?		
32:22 - 32:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.9
	32:22 THE WITNESS: Yes, that's correct.		
33:04 - 33:06	<b>Sottosanti, Mark 2023-10-27</b>	00:00:14	Sottosanti.10
 11221.1	33:04 This is a document Bates labeled 33:05 GOOG-Riot-0000333. It's a presentation titled mobile 33:06 distribution.		
33:13 - 33:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.11
	33:13 A. The document, yes, it looks familiar. 33:14 Q. And do you recall receiving or reviewing this 33:15 document before today?		
33:17 - 35:16	<b>Sottosanti, Mark 2023-10-27</b>	00:02:35	Sottosanti.12
	33:17 I did look at it and recall 33:18 that I had reviewed it back in, I guess, 2018. 33:19 Q. And back in 2018 when you reviewed this 33:20 document, you would have received and reviewed it as 33:21 part of your normal course of duties at Riot Games; is 33:22 that right? 33:23 A. Yes. 33:24 Q. So this document is titled mobile distribution 33:25 and is dated in December 2018; is that right? 34:01 A. Yes.		
 Clear	<div style="background-color: black; height: 1.2em; width: 435px;"></div> <div style="display: flex; justify-content: space-between;"><div style="background-color: black; height: 1.2em; width: 40px;"></div><div style="background-color: black; height: 1.2em; width: 115px;"></div></div> <div style="background-color: black; height: 1.2em; width: 355px;"></div> <div style="display: flex; justify-content: space-between;"><div style="background-color: black; height: 1.2em; width: 40px;"></div><div style="background-color: black; height: 1.2em; width: 385px;"></div></div>		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
<a href="#">11221.2.2</a>	34:12 [REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
<a href="#">11221.2.1</a>	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
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	[REDACTED]	[REDACTED]	
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	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
<a href="#">11221.3</a>	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
<a href="#">11221.3.1</a>	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
35:18 - 35:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.13
	[REDACTED]		
35:20 - 36:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:43	Sottosanti.14
	[REDACTED]		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID	
 11221.3.2				
				
				
				
				
				
				
				
				
				
				
				
				
				
				
 Clear				
				
				
36:19 - 36:19	Sottosanti, Mark 2023-10-27	00:00:05	Sottosanti.15	
 11221.4				
	36:20 - 37:07	Sottosanti, Mark 2023-10-27	00:00:22	Sottosanti.16
				
 11221.4.1				
				
				
				
				
				
				
				
				
				
38:02 - 38:14	Sottosanti, Mark 2023-10-27	00:00:50	Sottosanti.17	
				
				
				
				
				

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]		
	[REDACTED]		
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	[REDACTED]		
	[REDACTED]		
38:22 - 39:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:43	Sottosanti.18
<a href="#">11221.5</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
<a href="#">11221.5.1</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
39:12 - 39:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.19
	[REDACTED]		
	[REDACTED]		
39:18 - 40:12	<b>Sottosanti, Mark 2023-10-27</b>	00:01:07	Sottosanti.20
<a href="#">11221.9</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
<a href="#">11221.9.1</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
<a href="#">11221.9.2</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
<a href="#">11221.9.3</a>	[REDACTED]		
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]		
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
40:14 - 40:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.21
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
57:05 - 57:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.22
Clear	57:05 You should have Exhibit 11226		
57:06 - 57:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:10	Sottosanti.23
<a href="#">11226.1</a>	57:06 And while it's loading, I will just read that it is a		
	57:07 document that has been Bates labeled GOOG-RIOT-0000105.		
58:02 - 58:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.24
	58:02 Q. So these are meeting notes that were prepared by		
	58:03 Riot employees in the normal course of business; is that		
	58:04 right?		
	58:05 A. Yes.		
58:11 - 60:10	<b>Sottosanti, Mark 2023-10-27</b>	00:01:55	Sottosanti.25
<a href="#">11226.1.2</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]		
	[REDACTED]	[REDACTED]	
	[REDACTED]		
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
<a href="#">11226.1</a>	[REDACTED]		
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	

## Sottosanti

























































DESIGNATION	SOURCE	DURATION	ID
<a href="#">11226.1.3</a>	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
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	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
61:05 - 61:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.26
<a href="#">11226.2</a>	[REDACTED]	[REDACTED]	
61:06 - 62:15	<b>Sottosanti, Mark 2023-10-27</b>	00:01:22	Sottosanti.27
<a href="#">11226.2.1</a>	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	



## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
<a href="#">11226.2.2</a>	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
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	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
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	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
62:22 - 62:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.28
63:02 - 63:05	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
63:02 - 63:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:10	Sottosanti.29
	[REDACTED]	[REDACTED]	

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
			
			
63:14 - 63:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.30
 11226.2.1			
63:15 - 63:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:14	Sottosanti.31
			
			
			
			
63:20 - 63:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.32
			
63:22 - 63:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:05	Sottosanti.33
			
			
63:25 - 63:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.34
			
64:02 - 64:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:18	Sottosanti.35
 11226.1			
			
			
 11226.1.2			
			
			
			
64:10 - 64:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:48	Sottosanti.36
			
			
			
			
 Clear			
			
			
			
			
			
			
			
			

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]		
65:01 - 65:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:27	Sottosanti.37
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
66:09 - 66:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.38
<a href="#">11227.1.1</a>	66:09 I'll just note that this is a document, 11227, 66:10 marked Bates number GOOG-Riot-0000034.		
66:22 - 67:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:21	Sottosanti.39
	66:22 Q. And this is a document that was produced in this 66:23 litigation from Riot Games files; is that correct? 66:24 A. Yes. 66:25 Q. And it was prepared by Riot employees? 67:01 A. Yes, looks like it. 67:02 Q. And it was prepared in the normal course of 67:03 business at Riot; is that correct? 67:04 A. Yes, looks like it.		
67:18 - 67:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.40
	67:18 Q. So this is describing the partnership 67:19 opportunity or deal that Google proposed to Riot; is 67:20 that fair? 67:21 A. Yes.		
68:06 - 68:06	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.41
<a href="#">11227.4</a>	68:06 Q. Let's look at the page ending in 37.		
68:07 - 68:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:49	Sottosanti.42
	68:07 That should be the last page of this document. 68:08 A. Yes. <a href="#">11227.4.1</a> 68:09 Q. Okay, at the top it reads Google Velocity. 68:10 Do you see that? 68:11 A. Yes. 68:12 Q. And what is your understanding of what Google 68:13 Velocity means here? 68:14 A. My understanding is that's a name that Google 68:15 was using for partnerships with large providers or game, 68:16 you know, game developers in order to, you know, add		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	68:17 Velocity to the success of the game launch on the Google		
	68:18 Play store.		
	68:19 So it was commitments Google would make, you		
	68:20 know, in exchange for developers, you know, putting		
	68:21 their game on the Google Play store and supporting it on		
	68:22 the Play store and pay the 30 percent up source fees for		
	68:23 any monies spent on that store.		
69:05 - 69:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:28	Sottosanti.43
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
 11227.4.2	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
69:16 - 69:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.44
	[REDACTED]		
72:21 - 72:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.45
	72:21 Now there's a section on this slide that said		
 11227.4.3	72:22 "Riot Games commits in 2020."		
	72:23 Do you see that?		
	72:24 A. Yes.		
74:08 - 74:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.46
	74:08 Q. And then the commitments for the Google Velocity		
	74:09 program by Riot are indicated in these three bullet		
	74:10 points, right?		
	74:11 A. Yes.		
74:14 - 74:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.47
 11227.4.1	74:14 Q. Now, this slide does not identify any		
	74:15 exclusivity requirements that Google requested from		
	74:16 Riot; is that correct?		
74:18 - 74:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.48
	74:18 THE WITNESS: Correct.		
74:20 - 74:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.49
 Clear	74:20 Q. And so were there any restrictions on Riot's		





## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	74:21 ability to distribute their game on any other platform		
	74:22 as part of the Velocity program proposal that Google had		
	74:23 offered to Riot?		
74:25 - 75:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.50
	74:25 THE WITNESS: No, only the requirement that sim		
	75:01 ship that anything we provide on other platforms is also		
	75:02 available on Google Play.		
88:16 - 88:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.51
 11231.1	88:16 The document that is		
	88:17 Bates labeled GOOG-PLAY-007847579, titled Games Velocity		
	88:18 Program Addendum to the Google Play Developer		
	88:19 Distribution Agreement.		
89:12 - 89:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:39	Sottosanti.52
	89:12 Q. And so is this -- do you understand this to be a		
	89:13 copy of the Games Velocity Program Addendum to the		
	89:14 Google Play Developer Distribution Agreement that was		
	89:15 signed on March 9th of 2020 by Riot Games' CEO Nicolo		
	89:16 Lawrence?		
	89:17 A. Yes, I see that here.		
	89:18 Q. Okay, and is it your understanding that this is		
	89:19 the final contract that was signed regarding the		
	89:20 Velocity deal between Google and Riot?		
	89:21 A. At least for the portion of it represents, yeah,		
	89:22 if it's the whole thing, then yes.		
91:18 - 92:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:49	Sottosanti.53
 11231.2.1	91:18 Q. And so section 3 is developer obligations.		
 11231.2.1			
	91:19 Do you see that?		
	91:20 A. Yes.		
	91:21 Q. And in paragraph A, it reads (as read):		
 11231.2.2	91:22		
	91:23 Developer agrees that during the		
	91:24 term, it will launch all mobile titles,		
	91:25 including preregistrations but		
	92:01 excluding soft launches, on Google Play		
	92:02 on the same date or prior to the date		
	92:03 that developer launches such titles on		
	92:04 any other mobile distribution channel.		
	92:05		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	92:06 Do you see that?		
	92:07 A. Yes.		
	92:08 Q. And what is your understanding of that term?		
	92:09 A. That we are committing to release our games on		
	92:10 Google Play at least as early if not sooner than any		
	92:11 other platforms.		
	92:12 So we can't launch on other platforms without		
	92:13 launching on Google Play.		
92:24 - 93:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.54
 Clear	92:24 Q. And so to be clear, section 3A of this contract		
 11231.2.2	92:25 does not contain any restrictions on Riot's ability to		
	93:01 distribute on other mobile distribution channels other		
	93:02 than Google Play.		
	93:03 It just has to launch at the same time; is that		
	93:04 right?		
93:09 - 93:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.55
	93:09 THE WITNESS: Yes, legally I would say that		
	93:10 sounds correct.		
95:03 - 95:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:18	Sottosanti.56
 11231.3.1	95:03 Q. And paragraph D, Google, excuse me, developer		
 11231.3.1	95:04 will make good faith efforts to work with Google to		
	95:05 expand the titles' reach across Android devices.		
	95:06 Do you see that?		
	95:07 A. Yes.		
	95:08 Q. And that was another provision that Riot was		
	95:09 agreeing to as part of this contract?		
95:11 - 95:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.57
	95:11 THE WITNESS: Yes.		
95:13 - 95:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:17	Sottosanti.58
 11231.3.2	95:13 Q. And then E says developer, "will maintain the		
 11231.3.2	95:14 quality of the titles with a minimum user rating of 4.0		
	95:15 aggregated over the trailing six months."		
	95:16 Do you see that?		
	95:17 A. Yes.		
	95:18 Q. And that was another term that Riot was		
	95:19 accepting as part of this contract, correct?		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
95:21 - 95:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.59
	95:21 THE WITNESS: Yes.		
95:23 - 96:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.60
 11231.3.3	95:23 Q. And the same is true of paragraph F, "developer		
 11231.3.3	95:24 will use good faith efforts to include the titles in		
	95:25 preregistration and open beta programs."		
	96:01 Do you see that?		
	96:02 A. Yes.		
	96:03 Q. And that's another term of the contract that		
	96:04 Riot accepted; is that right?		
96:06 - 96:06	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.61
	96:06 THE WITNESS: Yes.		
96:08 - 96:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:17	Sottosanti.62
 11231.2.1	96:08 Q. So is it your understanding that paragraph 3,		
	96:09 developer obligations, contains the provisions that Riot		
	96:10 agreed to as part of this contract with Google?		
96:12 - 96:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.63
	96:12 THE WITNESS: Yes.		
96:14 - 96:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.64
	96:14 Q. And nothing in this document prohibits Riot from		
	96:15 distributing its games on another app store; is that		
	96:16 correct?		
96:19 - 96:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.65
	96:19 THE WITNESS: Correct.		
96:21 - 96:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.66
	96:21 Q. And nothing in this agreement prevents Riot from		
	96:22 distributing its games via side loading or APK; is that		
	96:23 correct?		
97:01 - 97:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.67
	97:01 THE WITNESS: Correct.		
97:07 - 97:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.68
 163.1	97:07 Q. And while it's loading, this document is the		
	97:08 Google Credits Addendum. It's Bates labeled		
	97:09 GOOG-PLAY-007335499. It's been introduced as 163.		
98:05 - 98:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:23	Sottosanti.69
	98:05 Q. Okay. And is it your understanding that this is		

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DESIGNATION	SOURCE	DURATION	ID
	98:06 a copy of the Google Ads Credit Addendum that was		
	98:07 entered into by Riot Games as signed by Nicolo Lawrence		
	98:08 on March 9th, 2020?		
	98:09 A. Yes.		
	98:10 Q. And so this is one of the documents that		
	98:11 comprises the Velocity deal that Riot entered into with		
	98:12 Google; is that right?		
	98:13 A. Yes.		
99:17 - 99:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.70
	99:17 Q. All right, so just to make sure I understand, so		
99:18 - 99:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.71
	99:18 these are the requirements between Google and Riot as		
	99:19 part of this ad credit addendum reflected in paragraphs		
	99:20 1 through 8; is that correct?		
99:22 - 99:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.72
	99:22 THE WITNESS: Yes.		
99:24 - 100:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:14	Sottosanti.73
	99:24 Q. Is there anything in this contract that		
	99:25 prohibits or prevents Riot Games from distributing its		
	100:01 games on other mobile distribution channels other than		
	100:02 Google Play?		
100:04 - 100:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.74
	100:04 THE WITNESS: I do not see anything that does,		
	100:05 no.		
100:07 - 100:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.75
	100:07 Q. And is there anything in this document that		
	100:08 prohibits or prevents Riot from developing its own app		
	100:09 store?		
100:11 - 100:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.76
	100:11 THE WITNESS: I do not see that, no.		
100:13 - 100:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.77
	100:13 Q. And is there anything in this document that		
	100:14 prevents Riot Games from offering its games through side		
	100:15 loading?		
100:17 - 100:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.78
	100:17 THE WITNESS: No.		
101:09 - 101:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.79





## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
 11233.1	101:09 Q. Okay. So you should have in your folder Exhibit		Sottosanti.79
 11233.1			
101:10 - 101:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.80
	101:10 11233, which is a document Bates labeled		
	101:11 GOOG-PLAY-007847576, titled Google Cloud Platforms		
	101:12 Addendum Velocity Program.		
	101:13 A. Yes, I see that.		
102:04 - 102:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:22	Sottosanti.81
	102:04 Q. Do you understand this to be a copy of the		
	102:05 signed Google Cloud Platform Addendum that was entered		
	102:06 into by Riot Games as signed by Nicolo Lawrence on March		
	102:07 9th, 2020?		
	102:08 A. Yes.		
	102:09 Q. And so this contains the cloud platform		
	102:10 component of the Velocity deal that Riot entered into;		
	102:11 is that correct?		
102:13 - 102:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.82
	102:13 THE WITNESS: Yes.		
103:07 - 103:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.83
	103:07 Q. And is there anything in this document that		
	103:08 prevents Riot from distributing its games on other		
	103:09 mobile distribution channels other than Google Play?		
103:11 - 103:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.84
	103:11 THE WITNESS: No.		
103:13 - 103:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.85
	103:13 Q. Is there anything in this document that prevents		
	103:14 Riot Games from distributing its games via side loading?		
103:16 - 103:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.86
	103:16 THE WITNESS: No.		
103:18 - 103:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.87
	103:18 Q. And is there anything in this contract or this		
	103:19 document that prevents Riot Games from developing its		
	103:20 own store?		
103:22 - 103:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.88
	103:22 THE WITNESS: No.		
103:24 - 103:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.89
 Clear	103:24 Q. So we just looked at that Exhibits 11231, 163, and 11233.		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
 Clear	103:24 Q. So we just looked at that Exhibits 11231, 163, and 11233.		Sottosanti.89
103:25 - 104:02	<b>Sottosanti, Mark 2023-10-27</b> 103:25 Do those documents represent the full scope 104:01 of the agreement between Riot Games and Google as part 104:02 of the Velocity program that Riot Games entered into?	00:00:12	Sottosanti.90
104:04 - 104:04	<b>Sottosanti, Mark 2023-10-27</b> 104:04 THE WITNESS: Yes, it appears so.	00:00:02	Sottosanti.91
104:06 - 104:09	<b>Sottosanti, Mark 2023-10-27</b> 104:06 Q. And you're not aware of any other agreements 104:07 that Riot Games agreed to with Google that are not 104:08 reflected in those documents, those written documents; 104:09 is that correct?	00:00:12	Sottosanti.92
104:11 - 104:11	<b>Sottosanti, Mark 2023-10-27</b> 104:11 THE WITNESS: Correct.	00:00:02	Sottosanti.93
104:13 - 104:15	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED]	00:00:11	Sottosanti.94
104:17 - 104:23	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:20	Sottosanti.95
104:25 - 105:02	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED]	00:00:06	Sottosanti.96
105:13 - 105:16	<b>Sottosanti, Mark 2023-10-27</b> 105:13 There is no limitation in any of the documents 105:14 that we just looked at, Exhibits 11231, 163 or 11233 105:15 prevented Riot Games from allowing 105:16 it's games to be side loaded; is that correct?	00:00:05	Sottosanti.97
105:15 - 105:16	<b>Sottosanti, Mark 2023-10-27</b> 105:15 Riot Games from allowing its	00:00:06	Sottosanti.98

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	105:16 games to be side loaded; is that correct?		
105:18 - 105:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.99
	105:18 THE WITNESS: Correct.		
105:20 - 105:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.100
	105:20 Q. And then the same exhibits, 11231, 163 and 11233,		
	105:21 contained no provisions on Riot Games from distributing		
	105:22 its games on other Android stores; is that correct?		
105:21 - 105:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.101
	105:21 contained no provisions on Riot Games from distributing		
	105:22 its games on other Android stores; is that correct?		
105:24 - 105:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.102
	105:24 THE WITNESS: Correct.		
106:09 - 106:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.103
 11234.1	106:09 MS. CHIU: Mr. Sottosanti, I'd like to direct		
	106:10 you to your Exhibit Share folder. And open up		
106:11 - 106:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:10	Sottosanti.104
	106:11 11234, a document that's Bates		
	106:12 labeled GOOG-PLAY-010662562 titled Amendment Number		
	One.		
107:19 - 108:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:34	Sottosanti.105
	107:19 Q. So do you recognize this to be an agreement or		
	107:20 an amendment that you entered into on behalf of Riot		
	107:21 Games?		
	107:22 A. Yes, I do remember it vaguely now, yes.		
 11234.1.1	107:23 Q. And under the introduction heading, it says that		
	107:24 developer and a number of Google entities are parties to		
	107:25 the Google Play Games Velocity Program Addendum to the		
	108:01 Google Play Developer Distribution Agreement with an		
	108:02 effective date of March 10th, 2020.		
	108:03 Do you see that?		
	108:04 A. Yes.		
108:18 - 108:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.106
 11234.1	108:18 Q. Okay, and so is it your understanding that this		
	108:19 is an amendment to the contract that was introduced as		
108:20 - 108:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.107
	108:20 11231?		
	108:21 A. Yes.		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
110:10 - 110:12	<b>Sottosanti, Mark 2023-10-27</b> 110:10 Q. Now, in this amendment, are there any 110:11 limitations on Riot's ability to distribute its games on 110:12 other mobile distribution channels besides Google Play?	00:00:13	Sottosanti.108
110:14 - 110:14	<b>Sottosanti, Mark 2023-10-27</b> 110:14 THE WITNESS: No.	00:00:01	Sottosanti.109
110:22 - 110:23	<b>Sottosanti, Mark 2023-10-27</b> 110:22 In this amendment, are there any restrictions on 110:23 Riot Games allowing users to side load its games?	00:00:07	Sottosanti.110
110:25 - 110:25	<b>Sottosanti, Mark 2023-10-27</b> 110:25 THE WITNESS: No.	00:00:01	Sottosanti.111
111:02 - 111:03	<b>Sottosanti, Mark 2023-10-27</b> 111:02 Q. In this amendment, are there any restrictions on 111:03 Riot Games' ability to develop its own app store?	00:00:07	Sottosanti.112
111:05 - 111:05	<b>Sottosanti, Mark 2023-10-27</b> 111:05 THE WITNESS: No.	00:00:02	Sottosanti.113
111:07 - 111:09	<b>Sottosanti, Mark 2023-10-27</b> 111:07 Q. And in this amendment are there any restrictions 111:08 on Riot Games' ability to distribute its games on other 111:09 Android app stores?	00:00:09	Sottosanti.114
111:11 - 111:11	<b>Sottosanti, Mark 2023-10-27</b> 111:11 THE WITNESS: No.	00:00:01	Sottosanti.115
111:14 - 111:20	<b>Sottosanti, Mark 2023-10-27</b> 111:14 Mr. Sottosanti, does Riot Games have an app 111:15 store for Android apps today? 111:16 A. No. 111:17 Q. And as we discussed earlier, when I use the term 111:18 app store I mean a platform to distribute and sell games 111:19 developed by Riot as well as other third parties? 111:20 Do you understand that?	00:00:22	Sottosanti.116
111:22 - 111:22	<b>Sottosanti, Mark 2023-10-27</b> 111:22 THE WITNESS: Yes.	00:00:01	Sottosanti.117
111:24 - 112:05	<b>Sottosanti, Mark 2023-10-27</b> 111:24 Q. For this next line of questioning, I will be 111:25 using that understanding of the term app store; is that 112:01 fair? 112:02 A. Yes.	00:00:22	Sottosanti.118

 Clear

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	112:03 Q. When Riot decided to launch its games on mobile		
	112:04 for the first time, was Riot developing plans to open		
	112:05 its own app store for Android?		
112:07 - 112:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.119
	112:07 THE WITNESS: No.		
112:09 - 112:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.120
	112:09 Q. And did Riot ever agree not to develop an app		
	112:10 store in exchange for anything from Google?		
112:12 - 112:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.121
	112:12 THE WITNESS: No.		
112:14 - 112:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.122
	112:14 Q. As part of the Games Velocity Program		
	112:15 agreements, which were reflected in 11231, 163, 11233,		
112:16 - 112:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.123
	112:16 and the amendment in 11234, did Riot Games have the		
	112:17 ability to develop an app store on Android if it wished		
	112:18 to do so?		
112:20 - 112:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.124
	112:20 THE WITNESS: Yeah, legally I think we would,		
	112:21 yes.		
112:23 - 112:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:05	Sottosanti.125
	112:23 Q. And as part of the Games Velocity Agreements we		
	112:24 looked at, documents 11231 to 163 and 11234		
112:25 - 113:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.126
	112:25 was Riot Games given the ability to distribute its game on any		
	113:01 other mobile app store?		
113:03 - 113:03	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.127
	113:03 THE WITNESS: Yes.		
113:18 - 113:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:14	Sottosanti.128
	113:18 Q. So pursuant to the Games Velocity Agreements,		
	113:19 was Riot permitted to distribute its games on any other		
	113:20 mobile distribution channel?		
113:22 - 113:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.129
	113:22 THE WITNESS: Yes.		
113:24 - 114:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:21	Sottosanti.130
	113:24 Q. And during the time that the Games Velocity		

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	113:25 Agreements were in effect, did Riot distribute its games		
	114:01 on the Apple app store?		
	114:02 A. Yes.		
	114:03 Q. And during the times that the Games Velocity		
	114:04 Agreements were in effect, did Riot distribute its game		
	114:05 or some of its games on the Samsung Galaxy store?		
114:07 - 114:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.131
	114:07 THE WITNESS: I believe we did, yes.		
115:04 - 115:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.132
	115:04 Mr. Sottosanti, you are not aware of any		
	115:05 provision in any of the Google Velocity Agreements that		
	115:06 we just looked at that prevented Riot from opening or		
	115:07 creating its an app store; is that right?		
115:09 - 115:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.133
	115:09 THE WITNESS: Correct.		
116:07 - 116:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:45	Sottosanti.134
	116:07 Q. Mr. Sottosanti, did anyone from Google ever tell		
	116:08 you that the Games Velocity Agreements were offered to		
	116:09 Riot in exchange for Riot's agreement that it would not		
	116:10 develop an app store?		
	116:11 A. No.		
	116:12 Q. Did anyone from Google ever tell you that		
	116:13 offering the Games Velocity Agreement to Riot based on		
	116:14 an understanding that Riot would not develop an app		
	116:15 store?		
	116:16 A. No.		
	116:17 Q. Are you aware of any agreement, written,		
	116:18 unwritten or implied, between Riot and Google where Riot		
	116:19 agreed it would not develop an app store?		
	116:20 A. No.		
117:13 - 117:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.135
	117:13 If there was any such agreement between Riot		
	117:14 and Google where Riot agreed not to develop an app		
	117:15 store, it's your understanding that you would have been		
	117:16 aware of such an agreement, correct?		
117:18 - 117:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.136
	117:18 THE WITNESS: Nothing was part of the standard		
	117:19 agreement that every company signed. If there was a		
	117:20 specific agreement between Google and Riot related to		

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	117:21 that, I would have been aware of it, yes.		
117:23 - 117:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:14	Sottosanti.137
	117:23 Q. And you are not, sitting here today, aware of		
	117:24 any other standard agreement with Google that prevents		
	117:25 Riot from developing an app store; is that correct?		
118:02 - 118:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.138
	118:02 THE WITNESS: Correct.		
122:21 - 122:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:19	Sottosanti.139
	122:21 Q. Then Riot first launched its mobile games in		
	122:22 2020 as we just discussed, correct?		
	122:23 A. Correct.		
	122:24 Q. Now, when Riot launched it's mobile games, Riot		
	122:25 already had signed certain deals with Google, correct?		
123:02 - 123:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.140
	123:02 THE WITNESS: Correct.		
123:15 - 123:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.141
	123:15 Q. And in the April 2019 deal, Google agreed to		
	123:16 give Riot co-marketing support, YouTube influencer		
	123:17 campaign, and Esports sponsorship, correct?		
123:19 - 123:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.142
	123:19 THE WITNESS: Correct.		
123:21 - 124:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:17	Sottosanti.143
	123:21 Q. And then later, the next year, in March of 2020,		
	123:22 Riot signed another deal with Google, correct?		
	123:23 A. Yeah, that's hard to no know without the		
	123:24 exhibits in front of me, it's hard to remember whether		
	123:25 the dates are all correct here.		
	124:01 But, yes, sounds right.		
124:06 - 124:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.144
	124:06 Q. Both of those deals were signed before Riot had		
	124:07 any mobile apps, correct?		
	124:08 A. Correct.		
	124:09 Q. And at the time, Riot valued those Google deals		
	124:10 to be worth around \$90 million in enterprise value to		
	124:11 Riot, correct?		
124:13 - 124:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:05	Sottosanti.145
	124:13 THE WITNESS: Yes, we used the term 90 million		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	124:14 in enterprise value, yes.		
124:16 - 124:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.146
	124:16 Q. And today, after those deals with Google were		
	124:17 signed, Riot's apps are available on Android only on the		
	124:18 Google Play Store, correct?		
	124:19 A. Correct.		
125:09 - 125:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.147
	125:09 Q. Riot does not		
	125:10 allow Android users to side load Riot's apps on Android		
	125:11 outside of the Google Play store, correct?		
125:13 - 125:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.148
	125:13 THE WITNESS: Correct. It's only available on		
	125:14 the Google Play store with Android, yes.		
126:02 - 126:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:10	Sottosanti.149
	126:02 Q. In your experience, do the parties reach a		
	126:03 business understanding prior to drafting the official		
	126:04 legal documents that they then sign?		
126:06 - 126:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:10	Sottosanti.150
	126:06 THE WITNESS: Yeah, generally there's a business		
	126:07 understanding, which is sometimes captured in a shorter		
	126:08 document before the full document is prepared, yes.		
126:17 - 126:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.151
	126:17 Q. So in this case, before Riot signed the formal		
	126:18 legal documents with Google, Riot and Google reached a		
	126:19 business understanding as to what the deal was going to		
	126:20 be, correct?		
126:22 - 126:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.152
	126:22 THE WITNESS: Yeah, I would say that's correct,		
	126:23 yes.		
127:17 - 127:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.153
	127:17 Q. Let's talk about League of Legends for a minute.		
	127:18 League of Legends launched in 2009, correct?		
	127:19 A. Yes.		
127:23 - 127:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.154
	127:23 Q. Riot believes it's the most played PC game in		
	127:24 the world, right?		
	127:25 A. Yes, we have at many points in time, sure.		



**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
128:01 - 128:16	<b>Sottosanti, Mark 2023-10-27</b> 128:01 Whether it would apply today, I would have to research. 128:02 Q. And Riot's games on a typical month attract over 128:03 100 million players; is that right? 128:04 A. Yes. 128:05 Q. The mobile version of League of Legends is 128:06 called Wild Rift. Or at least that's the derivative of 128:07 League of Legends, correct? 128:08 A. Correct. 128:09 Q. Now, we talked about this a bit before. But on 128:10 PC, Riot makes League of Legends, its most popular game, 128:11 available directly from the website: 128:12 LeagueofLegends.com, correct? 128:13 A. Yes. 128:14 Q. And gamers can go to that website and download 128:15 the game directly from that URL, correct? 128:16 A. Correct.	00:00:45	Sottosanti.155
129:18 - 129:21	<b>Sottosanti, Mark 2023-10-27</b> 129:18 Q. So on a PC a gamer can go to the 129:19 LeagueofLegends.com website and directly download the 129:20 League of Legends games, straight from Riot, correct? 129:21 A. Correct.	00:00:11	Sottosanti.156
130:04 - 130:06	<b>Sottosanti, Mark 2023-10-27</b> 130:04 Q. And Riot believes that its safe for users to 130:05 download League of Legends directly from Riot's website, 130:06 correct?	00:00:07	Sottosanti.157
130:08 - 130:08	<b>Sottosanti, Mark 2023-10-27</b> 130:08 THE WITNESS: Correct.	00:00:01	Sottosanti.158
130:10 - 130:13	<b>Sottosanti, Mark 2023-10-27</b> 130:10 Q. You're not aware of any specific security issues 130:11 to gamers resulting from them downloading League of 130:12 Legends directly from Riot's own website, are you? 130:13 A. No, that's correct.	00:00:13	Sottosanti.159
130:25 - 131:10	<b>Sottosanti, Mark 2023-10-27</b> 130:25 Q. Who processes payments for in-app digital good 131:01 purchases on League of Legends on PC? 131:02 A. So we have an internal team that has 131:03 relationships with payment service providers around the 131:04 world, and partners that enable that.	00:00:38	Sottosanti.160

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	131:05 And so we've built our own, you know, customized		
	131:06 systems and partnerships that enable those payments.		
	131:07 So we basically own that process along with		
	131:08 those providers.		
	131:09 Q. So how much does Riot pay to an external party		
	131:10 in order to enact an in-app digital purchase on a PC?		
131:12 - 131:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.161
	131:12 THE WITNESS: Generally varies between 2 and 5		
	131:13 percent depending on the partner.		
132:10 - 132:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:20	Sottosanti.162
	132:10 Q. So on PC, Riot offers League of Legends through		
	132:11 the Epic Game Store, correct?		
	132:12 A. Yes, correct.		
	132:13 Q. And just like the version on Riot's website		
	132:14 League of Legends is free to download to users through		
	132:15 the Epic Game Store, correct?		
132:17 - 132:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.163
	132:17 THE WITNESS: Correct.		
132:24 - 133:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.164
	132:24 Q. Even when League of Legends is purchased via the		
	132:25 Epic Games Store, Riot does not use a payment solution		
	133:01 offered by Epic to process the purchases of digital		
	133:02 goods, does it?		
133:04 - 133:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.165
	133:04 THE WITNESS: Correct, players download the game		
	133:05 off the Epic Game Store for free. And then if they want		
	133:06 to purchase content in that game, they do that directly		
	133:07 from Riot, not from Epic, that's correct.		
133:09 - 133:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.166
	133:09 Q. So Riot doesn't pay anything to Epic Games when		
	133:10 a user downloads League of Legends from the Epic Games		
	133:11 Store, correct?		
	133:12 A. Correct.		
	133:13 Q. And Riot doesn't pay anything to Epic Games when		
	133:14 a user buys in-app digital goods from Riot, correct?		
133:16 - 133:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.167
	133:16 THE WITNESS: Correct.		
133:18 - 133:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:21	Sottosanti.168

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	133:18 Q. In fact, Riot does not pay any money at all to 133:19 Epic Games for Epic hosting League of Legends on the 133:20 Epic Games Store, correct? 133:21 A. I believe that is correct, yes. 133:22 Q. On PC, Riot pays no third-party platform a share 133:23 of its revenues from the sale of in-app digital goods, 133:24 correct?		Sottosanti.168
134:01 - 134:03	<b>Sottosanti, Mark 2023-10-27</b> 134:01 THE WITNESS: That's correct. The only parties 134:02 that we pay are the payment service providers that we 134:03 contract with.	00:00:07	Sottosanti.169
136:03 - 136:09	<b>Sottosanti, Mark 2023-10-27</b> 136:03 On mobile, Riot distributes its apps both on iOS 136:04 and Android, correct? 136:05 A. Yes, correct. 136:06 Q. As a result pretty much anyone who owns a mobile 136:07 device can play Riot's mobile apps on their smart phone, 136:08 correct? 136:09 A. Yes.	00:00:18	Sottosanti.170
136:12 - 136:14	<b>Sottosanti, Mark 2023-10-27</b> 136:12 Q. If Riot did not distribute its games on iOS, 136:13 then iPhone users would not be able to play the games on 136:14 their iPhones, correct?	00:00:10	Sottosanti.171
136:16 - 136:16	<b>Sottosanti, Mark 2023-10-27</b> 136:16 THE WITNESS: Correct.	00:00:01	Sottosanti.172
136:18 - 136:20	<b>Sottosanti, Mark 2023-10-27</b> 136:18 Q. And if Riot did not distribute its games on 136:19 Android, Android users would not be able to play Riot's 136:20 games on their Android devices, correct?	00:00:08	Sottosanti.173
136:22 - 136:22	<b>Sottosanti, Mark 2023-10-27</b> 136:22 THE WITNESS: Correct.	00:00:01	Sottosanti.174
136:24 - 137:01	<b>Sottosanti, Mark 2023-10-27</b> 136:24 Q. By being on both iOS and Android, Riot is able 136:25 to maximize the number of players that have access to 137:01 Riot's games, correct?	00:00:10	Sottosanti.175
137:03 - 137:03	<b>Sottosanti, Mark 2023-10-27</b> 137:03 THE WITNESS: Correct.	00:00:01	Sottosanti.176
137:06 - 137:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.177

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	137:06 But an important		Sottosanti.177
	137:07 contributor to the success of Riot's mobile games is the		
	137:08 size of the possible audience for the games, correct?		
137:10 - 137:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.178
	137:10 THE WITNESS: Yes, correct.		
137:12 - 137:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.179
	137:12 Q. In mobile, like on PC, Riot makes money through		
	137:13 its games by the sale of in-app digital products,		
	137:14 correct?		
	137:15 A. Yes, correct.		
137:16 - 137:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.180
	137:16 Q. However, unlike on PC, today, Riot pays 30		
	137:17 percent to an external platform hoster for every in-app		
	137:18 digital sale that it makes, correct?		
137:20 - 137:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.181
	137:20 THE WITNESS: Correct, with minor exceptions in		
	137:21 Asia. But, again, if we're talking about the United		
	137:22 States, then, yes, that's correct.		
137:24 - 138:03	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.182
	137:24 Q. Riot has not launched its own Android app store,		
	137:25 correct?		
	138:01 A. Correct.		
	138:02 Q. And Riot has not allowed users to directly		
	138:03 download its games via Android, correct?		
138:05 - 138:05	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.183
	138:05 THE WITNESS: Correct.		
138:07 - 138:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.184
	138:07 Q. You understand that that is technologically		
	138:08 possible on Android to permit a user to download the		
	138:09 game directly from Riot as opposed to the Google Play		
	138:10 Store, correct?		
	138:11 A. Yes, I'm aware that it has been done by other		
	138:12 parties, yes.		
138:13 - 138:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.185
	138:13 Q. Yet Riot does not do it because -- only through		
	138:14 the Google Play Store?		
	138:15 A. Correct.		
	138:16 Q. And as a result, it pays Google 30 percent of		

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	138:17 every in-app purchase that a user makes, correct?		
138:19 - 138:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.186
	138:19 THE WITNESS: Correct.		
139:09 - 139:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:27	Sottosanti.187
	139:09 Q. I believe you testified to this but just to make		
	139:10 absolutely sure. You personally were not involved in		
	139:11 each of the conversations that Riot might have had with		
	139:12 Google about Riot's mobile distribution strategy,		
	139:13 correct?		
	139:14 A. Correct.		
	139:15 Q. And in particular, Brian Cho, who worked for		
	139:16 you, had many meetings with Google related to mobile		
	139:17 distribution strategy that you personally did not		
	139:18 attend, correct?		
139:20 - 139:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.188
	139:20 THE WITNESS: Correct.		
140:05 - 140:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.189
	140:05 Q. Is it at least possible that Mr. Cho was having		
	140:06 conversations with personnel from Google about Riot's		
	140:07 mobile distribution strategy earlier in 2018, as early		
	140:08 as March 2018, perhaps?		
140:10 - 140:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.190
	140:10 THE WITNESS: Yes, definitely possible.		
141:12 - 141:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:24	Sottosanti.191
	141:12 Q. Let's talk about some of the topics that Riot		
	141:13 discussed with Google during those early meetings		
	141:14 related to Riot's mobile distribution strategy.		
	141:15 First of all -- maybe this is obvious, I take it		
	141:16 in some of the early meetings Riot told Google that it		
	141:17 was considering launching a mobile app of some of its		
	141:18 games, correct?		
141:20 - 141:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.192
	141:20 THE WITNESS: Yeah, I don't know how it was		
	141:21 communicated. But I believe we did, you know,		
	141:22 intrinsically give the impression that we were looking		
	141:23 at all options including self downloading --		
141:25 - 141:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.193
	141:25 -- including enabling players to download our		






## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
142:01 - 142:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.194
142:01	games directly without using the app stores.		
142:03 - 142:06	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.195
142:03	Q. And just to talk a bit about how that was		
142:04	communicated, Riot told Google and showed Google that		
142:05	Riot had been successful in self-publishing its games on		
142:06	PC, correct?		
142:08 - 142:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.196
142:08	THE WITNESS: I don't recall it but that would		
142:09	have been a logical approach, yes.		
142:11 - 142:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.197
142:11	Q. And in fact, Riot told Google that throughout		
142:12	its history up to that point it had only published and		
142:13	enabled direct download to customers as a way to allow		
142:14	consumers to get the games, correct?		
142:16 - 142:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.198
142:16	THE WITNESS: Yes, correct. Our philosophy was		
142:17	we would always choose to do that and it could be done		
142:18	in a way that was beneficial to players and to Riot.		
142:20 - 142:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.199
142:20	Q. And Riot also told Google that Riot had		
142:21	developed its own internal payment solution on PC that		
142:22	it had found very effective in enabling in-app digital		
142:23	purchases, correct?		
142:25 - 143:03	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.200
142:25	THE WITNESS: Yeah, again, I don't know of the		
143:01	specific communication but that would have been a		
143:02	logical and accurate thing for us to convey to Google,		
143:03	yes.		
143:05 - 143:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:32	Sottosanti.201
143:05	Q. I understand that these meetings that		
143:06	happened, even the ones you attended, were four or five		
143:07	years ago at this point.		
143:08	And I think you've testified that you don't		
143:09	recall a lot of the details about what happened in the		
143:10	specific meetings between Riot and Google.		
143:11	Is that generally accurate?		
143:12	A. Yeah, but I do recall we avoided specifics like		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	143:13 the ones we're discussing now. And the conversations		
	143:14 were more high level about how we wanted the partnership		
	143:15 to work successfully together and what we were both		
	143:16 trying to accomplish.		
144:04 - 144:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:29	Sottosanti.202
	144:04 Q. Do you remember telling Google in November of		
	144:05 2019 that there's a lot of awareness of League of		
	144:06 Legends with 100 million players?		
	144:07 Do you remember saying something like that to		
	144:08 them?		
	144:09 A. It sounds like something I would say, yes.		
	144:10 Q. Do you recall telling Google in and around		
	144:11 November 2019 that Riot is strong in self publishing?		
	144:12 A. Again, I don't recall specifically saying it.		
	144:13 But it would be something I might say, yes.		
144:22 - 144:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.203
	144:22 Q. Do you recall telling Google in late 2018 that		
	144:23 the Google Play Store imposes a significant fee that		
	144:24 Riot is not used to paying given its background in PC?		
145:01 - 145:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.204
	[REDACTED]		
	[REDACTED]		
145:04 - 145:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:42	Sottosanti.205
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
145:16 - 145:17	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.206
	145:16 MR. EARNHARDT: So if we could, I would like to		
11221.1	145:17 show you a document that has been previously marked, 11221.		
146:03 - 146:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.207

## Sottosanti







DESIGNATION	SOURCE	DURATION	ID
 11221.1	146:03 Do you have that document in front of you? 146:04 A. Yes, I do. 146:05 Q. And that document is titled mobile distribution. 146:06 Do you see that? 146:07 A. Yes.		Sottosanti.207
146:11 - 146:13	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] 146:13 A. Yes.	00:00:07	Sottosanti.208
146:17 - 146:25	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:19	Sottosanti.209
 [REDACTED]	[REDACTED] [REDACTED]		
147:02 - 147:04	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED]	00:00:06	Sottosanti.210
148:07 - 148:10	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:06	Sottosanti.211
 11221.2	[REDACTED] [REDACTED] [REDACTED] [REDACTED]		
 11221.2.4	[REDACTED] [REDACTED] [REDACTED] [REDACTED]		
148:17 - 149:08	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:35	Sottosanti.212
 11221.2.3	[REDACTED] [REDACTED] [REDACTED] [REDACTED]		





## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
 11221.2.7	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]		
149:11 - 149:11	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED]	00:00:01	Sottosanti.213
149:19 - 149:25	<b>Sottosanti, Mark 2023-10-27</b> 149:19 Q. The platform fees are the 30 percent that we're 149:20 been talking about with respect to Google, right? 149:21 A. Yes. 149:22 Q. And those fees lower the publisher's margins 149:23 because Google takes a cut of the revenue on in-app 149:24 purchases that is not taken when Riot allows users to 149:25 direct download it on PC, correct?	00:00:21	Sottosanti.214
150:02 - 150:02	<b>Sottosanti, Mark 2023-10-27</b> 150:02 THE WITNESS: Correct.	00:00:01	Sottosanti.215
150:04 - 150:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:24	Sottosanti.216
 11221.2.8	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]		
 [REDACTED]	[REDACTED]		
150:16 - 150:17	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED]	00:00:05	Sottosanti.217
150:19 - 150:20	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED]	00:00:07	Sottosanti.218
150:22 - 150:24	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED]	00:00:05	Sottosanti.219

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	 		
			
151:02 - 151:06	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.220
 11221.3.4			
	 		
	 		
	 		
			
151:22 - 152:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:42	Sottosanti.221
 11221.3.7			
	 		
	 		
	 		
			
			
			
	 		
	 		
	 		
	 		
	 		
	 		
	 		
	 		
152:22 - 152:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.222
 11221.3.5			
	 		
	 		
	 		
153:01 - 153:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.223
			
			
	 		
			
			
	 		
	 		
153:09 - 153:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.224
	 		





## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
153:11 - 153:12	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED]	00:00:05	Sottosanti.225
153:14 - 153:14	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED]	00:00:01	Sottosanti.226
153:16 - 153:22  11221.3.3	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:16	Sottosanti.227
153:23 - 153:24	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED]	00:00:06	Sottosanti.228
154:01 - 154:03	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:11	Sottosanti.229
154:05 - 154:13	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:21	Sottosanti.230
154:15 - 154:21	<b>Sottosanti, Mark 2023-10-27</b> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	00:00:12	Sottosanti.231
 [REDACTED]	[REDACTED]		

## Sottosanti

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## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
157:12 - 157:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.236
 11222.1	157:12 Q. Mr. Sottosanti, directing your attention back to 157:13 11221.		
157:14 - 157:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.237
	157:14 Do you have that in front of you? 157:15 A. I do.		
157:25 - 158:06	<b>Sottosanti, Mark 2023-10-27</b>	00:00:20	Sottosanti.238
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
158:08 - 158:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.239
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
158:22 - 158:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.240
 11222.2.4	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
163:10 - 163:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.241
 11222.2.1	[REDACTED]		
 11222.2.3	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
163:20 - 163:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.242
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
163:24 - 163:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.243
	[REDACTED]		
	[REDACTED]		
164:02 - 164:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:12	Sottosanti.244





## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
164:06 - 164:06	<div><div></div><div></div></div>		Sottosanti.244
	<div><div></div><div></div></div>		
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164:06 - 164:06	Sottosanti, Mark 2023-10-27	00:00:01	Sottosanti.245
	164:06 THE WITNESS: Correct.		
164:08 - 165:10	Sottosanti, Mark 2023-10-27	00:00:58	Sottosanti.246
<div><div></div><div></div></div> 11222.2.1	<div><div></div><div></div></div>		
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165:12 - 165:12	Sottosanti, Mark 2023-10-27	00:00:01	Sottosanti.247
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165:14 - 165:16	Sottosanti, Mark 2023-10-27	00:00:10	Sottosanti.248
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DESIGNATION	SOURCE	DURATION	ID
			
165:20 - 165:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.249
 Clear	 		
 11221.1			
165:21 - 165:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.250
 11221.4	 		
			
166:11 - 166:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.251
 11221.4.2			
			
166:21 - 166:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:05	Sottosanti.252
			
	 		
166:24 - 166:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.253
	 		
167:02 - 167:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:20	Sottosanti.254
 11221.4.4			
	 		
			
	 		
			
	 		
167:09 - 167:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.255
	 		
167:11 - 167:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.256
 11221.5			
	 		
			
167:22 - 167:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:08	Sottosanti.257
 11221.5.2			
	 		
	 		
168:01 - 168:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:31	Sottosanti.258
	 		
	 		
	 		
	 		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
168:10 - 168:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.259
 11221.5.3	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
168:21 - 168:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.260
 11221.9	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
169:06 - 169:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:05	Sottosanti.261
 11221.9.4	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
169:11 - 169:15	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.262
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
170:24 - 170:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.263
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
171:01 - 171:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:42	Sottosanti.264
 11221.9.5	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	



















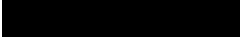


































## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
171:20 - 172:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.265
<a href="#">11221.9.6</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
172:25 - 173:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:21	Sottosanti.266
<a href="#">11221.9.8</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
174:05 - 174:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:15	Sottosanti.267
<a href="#">11221.11</a>	[REDACTED]		
<a href="#">11221.11.1</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
174:12 - 174:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.268
174:12	THE WITNESS: Correct.		
174:14 - 174:19	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.269
<a href="#">11221.11.2</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		



## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
174:21 - 174:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.270
	[REDACTED]		
175:08 - 175:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.271
<a href="#">11221.12.1</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
175:16 - 175:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.272
<a href="#">11221.12.2</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
175:22 - 175:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.273
	[REDACTED]		
178:01 - 178:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.274
<a href="#">11221.13</a>	[REDACTED]		
	[REDACTED]		
179:21 - 179:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.275
<a href="#">11221.13.1</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
179:25 - 180:10	<b>Sottosanti, Mark 2023-10-27</b>	00:00:21	Sottosanti.276
<a href="#">11221.13.2</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
<a href="#">11221.13.3</a>	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
180:12 - 180:12	<b>Sottosanti, Mark 2023-10-27</b>  	00:00:03	Sottosanti.277
180:14 - 180:15	<b>Sottosanti, Mark 2023-10-27</b>   	00:00:08	Sottosanti.278
180:17 - 180:18	<b>Sottosanti, Mark 2023-10-27</b>    	00:00:06	Sottosanti.279
180:20 - 180:23	<b>Sottosanti, Mark 2023-10-27</b>     	00:00:10	Sottosanti.280
 			
181:25 - 182:01	<b>Sottosanti, Mark 2023-10-27</b>   	00:00:08	Sottosanti.281
182:02 - 182:06  11226.1	<b>Sottosanti, Mark 2023-10-27</b>       	00:00:10	Sottosanti.282
182:14 - 182:23  11226.1.7	<b>Sottosanti, Mark 2023-10-27</b>          	00:00:37	Sottosanti.283
 Clear	    		
182:25 - 183:01	<b>Sottosanti, Mark 2023-10-27</b>    	00:00:04	Sottosanti.284
183:06 - 183:10  11226.1.5	<b>Sottosanti, Mark 2023-10-27</b> 	00:00:17	Sottosanti.285

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
183:12 - 183:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.286
	[REDACTED]	[REDACTED]	
183:14 - 184:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:24	Sottosanti.287
	[REDACTED]	[REDACTED]	
 11226.2.3	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
	[REDACTED]	[REDACTED]	
184:18 - 184:22	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.288
 Clear	184:18 Q. Do you recall that Google offered Riot \$15		
	184:19 million in co-marketing support, \$1 million of value in		
	184:20 a YouTube influencer campaign, and \$1 million in the		
	184:21 form of an Esports sponsorship?		
	184:22 A. That makes sense, yes.		
186:03 - 186:07	<b>Sottosanti, Mark 2023-10-27</b>	00:00:18	Sottosanti.289
	186:03 Q. Thank you. Some point after that April 2019		
	186:04 agreement, there was an additional agreement between		
	186:05 Google and Riot, which Google referred it to as the GVP		
	186:06 or Google Velocity Program, correct?		
	186:07 A. Yes.		
186:11 - 186:14	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.290
	186:11 Q. And those discussions about the GVP deal		
	186:12 happened prior to Riot launching mobile games in the US		
	186:13 on Android, correct?		
	186:14 A. Correct.		
190:21 - 191:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.291
	190:21 Riot has never allowed users to download its		

## Sottosanti

DESIGNATION	SOURCE	DURATION	ID
	190:22 apps directly from Riot on Android, correct?		
	190:23 A. Correct.		
	190:24 Q. And that is the case even though Android		
	190:25 technologically allowed direct downloads that way,		
	191:01 right?		
191:03 - 191:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:04	Sottosanti.292
	191:03 THE WITNESS: Yes, as we saw, the hoops were		
	191:04 identified in that document, yes.		
191:06 - 191:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:17	Sottosanti.293
	191:06 Q. And even though Riot does in fact allow direct		
	191:07 download on PC, correct?		
	191:08 A. Correct.		
	[REDACTED]		
	[REDACTED]		
	[REDACTED]		
191:13 - 191:13	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.294
	[REDACTED]		
191:15 - 191:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:16	Sottosanti.295
	191:15 Q. And even it though it would have been		
	191:16 technically feasible with low complexity to take the		
	191:17 steps necessary to launch direct to player on Android,		
	191:18 right?		
191:20 - 191:20	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.296
	191:20 THE WITNESS: Correct, yes.		
191:22 - 191:24	<b>Sottosanti, Mark 2023-10-27</b>	00:00:10	Sottosanti.297
	191:22 Q. And even though Riot would have had to pay no		
	191:23 money to Google for in-app purchases had it avoided the		
	191:24 Google Play Store by going direct to player, correct?		
192:01 - 192:01	<b>Sottosanti, Mark 2023-10-27</b>	00:00:01	Sottosanti.298
	192:01 A. Correct.		
197:02 - 197:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:36	Sottosanti.299
 Clear	197:02 Q. So Riot would only pay that revenue share when a		
	197:03 player makes a purchase in a Riot game Bates labeled		
	197:04 from Google Play; is that right?		
	197:05 A. Correct, yes.		
	197:06 Q. What revenue share does Riot pay for players who		
	197:07 do not make in-app purchases in the Riot Games?		
	197:08 A. Well, 30 percent of zero. So we pay zero.		

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
	197:09 Q. And do many of Riot Games players on mobile play 197:10 Riot Games without making in-app purchases? 197:11 A. That's correct. There are many, yes.		
199:03 - 199:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:38	Sottosanti.300
	199:03 Q. Now, Mr. Earnhardt asked you about business 199:04 understanding earlier. 199:05 Do you remember that? 199:06 A. Yeah, I remember. I don't remember the specific 199:07 topic but yes. 199:08 Q. And he asked you that sometimes companies reach 199:09 a business understanding before agreements are written 199:10 down in paper. 199:11 Do you recall that? 199:12 A. Yes. 199:13 Q. And I believe your testimony was that you 199:14 believe there may have been business understandings 199:15 between Riot on the one hand and Google on the other 199:16 prior to the actual Google Velocity Agreements put into 199:17 writing; is that correct? 199:18 A. Yes.		
199:19 - 199:21	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.301
	199:19 Q. Now, are you aware of any business understanding 199:20 between Riot and Google that Riot would not open an app 199:21 store?		
199:23 - 200:03	<b>Sottosanti, Mark 2023-10-27</b>	00:00:18	Sottosanti.302
	199:23 THE WITNESS: I do not know what communication 199:24 happened around that. But I do believe that if we were 199:25 on the path to open an app store, you know, in the same 200:01 time frame with which we launched the game, that Google 200:02 would no longer have wanted to participate in the 200:03 Velocity program.		
200:05 - 200:08	<b>Sottosanti, Mark 2023-10-27</b>	00:00:06	Sottosanti.303
	200:05 Q. Okay, but you're not aware of an actual 200:06 agreement that Riot would not develop an app store; is 200:07 that fair? 200:08 A. Fair, yes.		
200:11 - 200:12	<b>Sottosanti, Mark 2023-10-27</b>	00:00:07	Sottosanti.304
	200:11 Q. And you've never been made aware of any business 200:12 understanding that Riot would not open an app store?		

**Sottosanti**

DESIGNATION	SOURCE	DURATION	ID
200:14 - 200:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:28	Sottosanti.305
200:14	THE WITNESS: Yeah, I mean, nothing -- no		
200:15	concrete business agreement.		
200:16	I'd say we had an understanding that if we ever		
200:17	were to create our own payment systems, it would impact		
200:18	our relationship with Google.		
200:19	Sorry, if we were ever to create ways for		
200:20	players to download our games directly, that that would		
200:21	impact our relationship with Google negatively.		
200:22	But I don't know if that constitutes a business		
200:23	understanding versus an internal perception.		
200:25 - 201:02	<b>Sottosanti, Mark 2023-10-27</b>	00:00:09	Sottosanti.306
200:25	Q. So to be more specific, that was your		
201:01	understanding of the circumstances but that was never		
201:02	something you heard directly from Google?		
201:04 - 201:04	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.307
201:04	THE WITNESS: Yeah -- I'm not aware --		
201:06 - 201:09	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.308
201:06	Q. In fact, as we saw previously, were there any		
201:07	restrictions in any of the Google Velocity agreements		
201:08	that prohibited or restricted Riot from developing its		
201:09	own app store?		
201:11 - 201:11	<b>Sottosanti, Mark 2023-10-27</b>	00:00:03	Sottosanti.309
201:11	THE WITNESS: No, there were none.		
201:13 - 201:16	<b>Sottosanti, Mark 2023-10-27</b>	00:00:13	Sottosanti.310
201:13	Q. And were there any restrictions in any of the		
201:14	Google Velocity Agreements that restricted or prevented		
201:15	Riot from offering its games on Android via side		
201:16	loading?		
201:18 - 201:18	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.311
201:18	THE WITNESS: No, there was not.		
201:20 - 201:23	<b>Sottosanti, Mark 2023-10-27</b>	00:00:11	Sottosanti.312
201:20	Q. Were there any restrictions in any of the Google		
201:21	Velocity Agreements that restricted or prevented Riot		
201:22	from distributing its games on any other mobile app		
201:23	store?		
201:25 - 201:25	<b>Sottosanti, Mark 2023-10-27</b>	00:00:02	Sottosanti.313
201:25	THE WITNESS: No, there was not.		

**Sottosanti**

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Designation	01:07:49
<b>TOTAL RUN TIME</b>	<b>01:07:49</b>



Documents linked to video:

163

11221

11222

11226

11227

11231

11233

11234



## **Deposition Designations of Eric Christensen**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

## Christensen

DESIGNATION	SOURCE	DURATION	ID
6:04 - 6:06	<b>Christensen, Eric 2022-07-18</b> 6:04 Can you begin, sir, by you 6:05 stating your full name for the record? 6:06 A. My name is Eric V. Christensen.	00:00:07	Christensen.1
10:05 - 10:16	<b>Christensen, Eric 2022-07-18</b> 10:05 Q. And where are you employed, 10:06 sir? 10:07 A. I'm employed by Motorola 10:08 Mobility. 10:09 Q. And to streamline things, I may 10:10 refer to Motorola Mobility as simply 10:11 Motorola; is that fair? 10:12 A. Yes. 10:13 Q. What is Motorola's principal 10:14 business? 10:15 A. Our principal business is the 10:16 development and sales of smartphones.	00:00:23	Christensen.2
10:17 - 10:25	<b>Christensen, Eric 2022-07-18</b> 10:17 Q. Do Motorola's smartphones make 10:18 use of a mobile operating system? 10:19 A. They do. 10:20 Q. Which mobile operating system 10:21 do Motorola's phones use? 10:22 A. We use Android. 10:23 Q. And which company distributes 10:24 the Android mobile operating system? 10:25 A. Google or Alphabet.	00:00:20	Christensen.3
11:02 - 11:04	<b>Christensen, Eric 2022-07-18</b> 11:02 Q. For how long have you been at 11:03 Motorola? 11:04 A. 33 years.	00:00:05	Christensen.4
11:14 - 12:02	<b>Christensen, Eric 2022-07-18</b> 11:14 Q. Do you roughly recall the 11:15 timing of when Motorola made the decision 11:16 to create an Android smartphone? 11:17 A. Roughly, yes. 11:18 Q. And when was that? 11:19 A. That was likely between the 11:20 years of 2005 to 2006. I don't remember	00:00:35	Christensen.5

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	11:21 exactly.		
	11:22 Q. And do you recall the timing of		
	11:23 when Motorola actually then launched its		
	11:24 first Android smartphone?		
	11:25 A. I believe it was 2007. Maybe		
	12:01		
	12:02 2008.		
17:11 - 17:14	<b>Christensen, Eric 2022-07-18</b>	00:00:06	Christensen.6
	17:11 Q. And again, sir, what is your		
	17:12 position at Motorola today?		
	17:13 A. Today I'm mainly focused on		
	17:14 partner management.		
18:15 - 19:08	<b>Christensen, Eric 2022-07-18</b>	00:00:48	Christensen.7
	18:15 Does Motorola have a business		
	18:16 relationship with Google today?		
	18:17 A. We do.		
	18:18 Q. So what's the nature of that		
	18:19 relationship?		
	18:20 A. The primary nature of that		
	18:21 relationship is a license agreement		
	18:22 between the parties, where we license the		
	18:23 Android operating system as well as --		
	18:24 well, I guess specifically we license the		
	18:25 Google mobile services apps, referred to		
	19:01		
	19:02 as GMS apps, that we install on our		
	19:03 mobile phones.		
	19:04 Q. So if I understand that		
	19:05 correctly, is it accurate that Motorola's		
	19:06 phones today use Google's mobile		
	19:07 operating system Android?		
	19:08 A. That's correct.		
19:13 - 20:13	<b>Christensen, Eric 2022-07-18</b>	00:01:15	Christensen.8
	19:13 Q. Can you describe the particular		
	19:14 aspects of Motorola's relationship with		
	19:15 Google that you handle?		
	19:16 A. Well, it involves anything from		
	19:17 a technical compliance or compatibility		
	19:18 issue, so it can be at a very specific		
	19:19 engineering level; although I'm not an		

**Christensen**

DESIGNATION	SOURCE	DURATION	ID
	19:20 engineer, we interact constantly.		
	19:21 It also includes dealing with		
	19:22 certain product issues, certain clients.		
	19:23 It also includes negotiating		
	19:24 agreements and contracts and representing		
	19:25 Motorola in that endeavor.		
	20:01		
	20:02 Q. Do you represent Motorola in		
	20:03 connection with anything to do with the		
	20:04 sharing of revenue between Google and		
	20:05 Motorola?		
	20:06 A. Yes, that's included in the		
	20:07 contracts that I mentioned.		
	20:08 Q. And when you say contracts,		
	20:09 could you explain?		
	20:10 A. There is a contract for Mobile		
	20:11 Incentive Agreement currently, that's an		
	20:12 example of agreements that I managed and		
	20:13 continue to manage.		
20:20 - 21:10	<b>Christensen, Eric 2022-07-18</b>	00:00:33	Christensen.9
	20:20 Q. Are you familiar with the term		
	20:21 a "Revenue Share Agreement"?		
	20:22 A. I am.		
	20:23 Q. Did that have any connection to		
	20:24 the Mobile Incentive Agreement?		
	20:25 A. I don't know if it was		
	21:01		
	21:02 connected, but we had a Revenue Share		
	21:03 Agreement for a period of time. That was		
	21:04 replaced by the Mobile Incentive		
	21:05 Agreement.		
	21:06 Q. And were you responsible for		
	21:07 handling for Motorola aspects to do with		
	21:08 the Revenue Share Agreement between		
	21:09 Motorola and Google?		
	21:10 A. I was.		
24:05 - 24:18	<b>Christensen, Eric 2022-07-18</b>	00:00:42	Christensen.10
	24:05 Q. Yes. Are you able to explain		
	24:06 what, if anything, Motorola received from		
	24:07 Google under the revenue share agreements		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	24:08 that were in place between Motorola and		
	24:09 Google in the past?		
	24:10 A. I believe so, yes.		
	24:11 Q. Could you explain to us?		
	24:12 A. Well, the original revenue		
	24:13 share agreements, if I recall correctly,		
	24:14 was signed, I think, in 2017, provided a		
	24:15 set of requirements that we would comply		
	24:16 with on our smartphone devices in		
	24:17 exchange for a share of the revenue from		
	24:18 users selecting Google Search.		
25:25 - 26:08	<b>Christensen, Eric 2022-07-18</b>	00:00:24	Christensen.11
	25:25 Q. Why is it that Motorola uses		
	26:01		
	26:02 Android?		
	26:03 A. Well, to be competitive in the		
	26:04 smartphone industry today, there are two		
	26:05 choices, Apple and Android, in our		
	26:06 opinion. And I don't think we are able		
	26:07 to license iOS from Apple, so Android is		
	26:08 what we end up shipping.		
26:12 - 26:16	<b>Christensen, Eric 2022-07-18</b>	00:00:10	Christensen.12
	26:12 Q. Has Motorola ever considered		
	26:13 making its own operating system?		
	26:14 A. Yes.		
	26:15 Q. And why did it not proceed?		
	26:16 A. A number of reasons.		
27:06 - 28:25	<b>Christensen, Eric 2022-07-18</b>	00:02:18	Christensen.13
	27:06 A. We did make our own operating		
	27:07 system. We did consider making,		
	27:08 selecting among a number of operating		
	27:09 systems a number of years ago.		
	27:10 Q. And can you explain why		
	27:11 Motorola did not proceed with any of		
	27:12 those other operating systems?		
	27:13 A. Well, in the years, I want to		
	27:14 say between 2005 and 2007, we had a		
	27:15 number of operating systems in our		
	27:16 product portfolio that we currently		
	27:17 supported.		

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DESIGNATION	SOURCE	DURATION	ID
	<p>27:18 Those included legacy feature</p> <p>27:19 phone operating systems which, you know,</p> <p>27:20 were not smartphones. The commonly</p> <p>27:21 referred to flip phones. That included</p> <p>27:22 other smartphone operating systems that</p> <p>27:23 were proprietary or home grown in nature</p> <p>27:24 that we developed.</p> <p>27:25 There were a couple that we</p> <p>28:01</p> <p>28:02 licensed. One was Symbian. One was</p> <p>28:03 Microsoft, at the time. And towards the</p> <p>28:04 later part of that period, we also</p> <p>28:05 shipped Android devices.</p> <p>28:06 So during that time period,</p> <p>28:07 2005 to 2007, there were a number of</p> <p>28:08 operating systems that were in our</p> <p>28:09 portfolio and supported in one way or</p> <p>28:10 another in parts of the world.</p> <p>28:11 Q. And so why did Motorola end up</p> <p>28:12 solely using Android?</p> <p>28:13 A. It was a long internal debate.</p> <p>28:14 It was a long process to establish what</p> <p>28:15 the advantages would be for us.</p> <p>28:16 Our CEO at the time, Sanjay</p> <p>28:17 Jha, felt -- he commonly would</p> <p>28:18 communicate that to the employee base, he</p> <p>28:19 felt that managing too many operating</p> <p>28:20 systems was too expensive. At the time</p> <p>28:21 we were struggling financially as a</p> <p>28:22 company. And so to consolidate our</p> <p>28:23 engineering efforts into fewer OS</p> <p>28:24 solutions was definitely the priority at</p> <p>28:25 the time.</p>		
29:02 - 29:06	<p><b>Christensen, Eric 2022-07-18</b></p> <p>29:02 Q. You mentioned before iOS, the</p> <p>29:03 Apple operating system. Has Motorola</p> <p>29:04 ever offered a smartphone that runs on</p> <p>29:05 iOS?</p> <p>29:06 A. No.</p>	00:00:08	Christensen.14
29:09 - 29:15	<p><b>Christensen, Eric 2022-07-18</b></p>	00:00:18	Christensen.15

## Christensen





DESIGNATION	SOURCE	DURATION	ID
	29:09 Q. And again, can you explain why 29:10 not? 29:11 A. Apple does not license it to 29:12 phones like Motorola. 29:13 Q. What would happen to Motorola's 29:14 smartphone business if it wasn't able to 29:15 use the Android operating system?		Christensen.15
29:18 - 29:19	<b>Christensen, Eric 2022-07-18</b> 29:18 A. I don't think we would be in 29:19 the smartphone business.	00:00:03	Christensen.16
30:07 - 30:13	<b>Christensen, Eric 2022-07-18</b> 30:07 Q. So earlier we referred to various 30:08 agreements in place between Motorola and 30:09 Google. Does Motorola have to enter into 30:10 any agreements with Google to get access 30:11 to Android? 30:12 A. To get access to Android, no. 30:13 It's an open source operating system.	00:00:20	Christensen.17
31:21 - 31:24	<b>Christensen, Eric 2022-07-18</b> 31:21 Q. Is there a Mobile Incentive 31:22 Agreement in place currently between 31:23 Motorola and Google? 31:24 A. There is.	00:00:06	Christensen.18
31:25 - 32:12	<b>Christensen, Eric 2022-07-18</b> 31:25 Q. Are you aware of an agreement 32:01 32:02 called a Mobile Application Distribution 32:03 Agreement? 32:04 A. Yes, I'm. 32:05 Q. And is that sometimes referred 32:06 to as a M-A-D-A or MADA for short? 32:07 A. Yes. 32:08 Q. And is there a Mobile 32:09 Application Distribution Agreement 32:10 currently in place between Motorola and 32:11 Google? 32:12 A. Yes.	00:00:21	Christensen.19
42:23 - 43:02	<b>Christensen, Eric 2022-07-18</b> 42:23 Q. Would Motorola receive any	00:00:10	Christensen.20

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	42:24 share of revenue from Google under the		
	42:25 Mobile Incentive Agreement without		
	43:01		
	43:02 signing a MADA?		
43:05 - 43:08	<b>Christensen, Eric 2022-07-18</b>	00:00:13	Christensen.21
	43:05 A. I would say that we would not		
	43:06 receive monetary incentives per this		
	43:07 agreement unless we had an active, in		
	43:08 effect, MADA and EMADA.		
43:09 - 44:05	<b>Christensen, Eric 2022-07-18</b>	00:01:03	Christensen.22
	43:09 Q. Is it important to Motorola to		
	43:10 be able to receive revenue from Google		
	43:11 under the Mobile Incentive Agreement?		
	43:12 A. It is important to receive the		
	43:13 payments as defined in the Mobile		
	43:14 Incentive Agreement.		
	43:15 Q. And are those payments valuable		
	43:16 to Motorola?		
	43:17 A. Yes.		
	43:18 Q. Could you explain why?		
	43:19 A. We are in an extremely		
	43:20 competitive industry. As a mobile device		
	43:21 maker, the costs of developing		
	43:22 competitive products are significant.		
	43:23 Oftentimes in many markets to		
	43:24 be, to be relevant, we have to have lower		
	43:25 costs, more revenue wherever we can. And		
	44:01		
	44:02 so the monetary incentive provided by		
	44:03 this Mobile Incentive Agreement are		
	44:04 important for our overall business		
	44:05 health.		
44:24 - 45:11	<b>Christensen, Eric 2022-07-18</b>	00:00:45	Christensen.23
	44:24 Q. And does Motorola currently		
	44:25 have a MADA with Google in effect today?		
	45:01		
	45:02 A. Yes, we do.		
	45:03 Q. So if you could explain to us,		
	45:04 what are the basic terms of a MADA, what		
	45:05 does it do?		



## Christensen

DESIGNATION	SOURCE	DURATION	ID
	45:06 A. The best summary I can provide		
	45:07 that the MADA does is it grants us a		
	45:08 license to preload on our Android devices		
	45:09 a number of commonly used Google		
	45:10 applications such as YouTube, Gmail,		
	45:11 Google Play, et cetera.		
46:06 - 46:09	<b>Christensen, Eric 2022-07-18</b>	00:00:05	Christensen.24
	46:06 MR. CAMERON: Let's look at one		
	46:07 of these MADAs in more detail. I		
	46:08 would like to mark a new exhibit. I		
	46:09 believe it will be Exhibit		
46:10 - 46:17	<b>Christensen, Eric 2022-07-18</b>	00:00:22	Christensen.25
 1232.1	46:10 1232, if that's correct. And this is		
	46:11 a document bearing Bates stamps		
	46:12 MOTO-NDCAL 247 through 270.		
	46:13 (Exhibit 1232,		
	46:14 Document Bates stamped MOTO-NDCAL 247		
	46:15 through 270, was so marked for		
	46:16 identification, as of this date.)		
	46:17 A. I have it open.		
46:22 - 46:25	<b>Christensen, Eric 2022-07-18</b>	00:00:08	Christensen.26
 1232.1.1	46:22 Q. Is this a copy of Motorola's		
	46:23 2018 MADA?		
	46:24 A. That's how I would describe it,		
	46:25 yes.		
50:24 - 51:03	<b>Christensen, Eric 2022-07-18</b>	00:00:08	Christensen.27
 1232.3.6	50:24 Q. And does this preload		
	50:25 requirements apply to all Motorola		
	51:01		
	51:02 smartphones?		
	51:03 A. Yes.		
51:16 - 51:19	<b>Christensen, Eric 2022-07-18</b>	00:00:09	Christensen.28
	51:16 Q. So is it correct, under the		
 1232.3.7	51:17 MADA, Motorola is required to preload		
	51:18 Play on the default home screen?		
	51:19 A. Yes.		
52:04 - 52:06	<b>Christensen, Eric 2022-07-18</b>	00:00:06	Christensen.29
	52:04 Q. And would you consider the		
	52:05 default home screen to be valuable real		





## Christensen

DESIGNATION	SOURCE	DURATION	ID
	52:06 estate on a smartphone?		
52:08 - 52:08	<b>Christensen, Eric 2022-07-18</b>	00:00:01	Christensen.30
	52:08 A. Yes.		
52:17 - 52:19	<b>Christensen, Eric 2022-07-18</b>	00:00:04	Christensen.31
 Clear	52:17 Q. Well, so why do you view the		
	52:18 default home screen to be valuable real		
	52:19 estate on a smartphone?		
52:21 - 53:05	<b>Christensen, Eric 2022-07-18</b>	00:00:27	Christensen.32
	52:21 A. As I said, it's the first		
	52:22 screen that the user sees and it's a		
	52:23 common screen is that the user goes back		
	52:24 to. So as the user customizes that home		
	52:25 screen to be able to have its most, have		
	53:01		
	53:02 the user's most commonly used apps or		
	53:03 widgets or other types of shortcuts.		
	53:04 It's the screen that the user sees most		
	53:05 often.		
54:21 - 55:14	<b>Christensen, Eric 2022-07-18</b>	00:00:43	Christensen.33
	54:21 Q. Section 4.9 is titled "Google		
	54:22 Approval and Launch." And reads: "Prior		
	54:23 to the launch of each device mobile,		
	54:24 Google will have the opportunity to		
	54:25 review and approve in its sole reasonable		
	55:01		
	55:02 discretion the device and company's		
	55:03 implementation of Google applications on		
	55:04 a device."		
	55:05 Did I read that correctly?		
	55:06 A. Yes.		
	55:07 Q. What did you understand this		
	55:08 provision to mean?		
	55:09 A. The practice is, what it means		
	55:10 is that there are steps for launching and		
	55:11 approving every device that we sell. And		
	55:12 there is a process in which Motorola and		
	55:13 Google works together on meeting that		
	55:14 criteria.		
55:20 - 55:25	<b>Christensen, Eric 2022-07-18</b>	00:00:12	Christensen.34

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	55:20 Q. There is a reference that		Christensen.34
	55:21 Google will have the opportunity to		
	55:22 review and approve the device and the		
	55:23 company's implementation of Google's		
	55:24 application on the device. Can you		
	55:25 explain what that process means?		
56:03 - 56:08	<b>Christensen, Eric 2022-07-18</b>	00:00:20	Christensen.35
	56:03 A. Well, I can explain the process		
	56:04 that occurs. It has changed and evolved		
	56:05 over the years, and I would say has		
	56:06 improved.		
	56:07 Basically in early days of the		
	56:08 smartphone, our smartphone --		
56:09 - 56:13	<b>Christensen, Eric 2022-07-18</b>	00:00:13	Christensen.36
	56:09 Q. Let me ask you this,		
	56:10 Mr. Christensen. Can Motorola launch a		
	56:11 new device without Google's approval of		
	56:12 Motorola's implementation of Google's		
	56:13 applications on that device?		
56:15 - 56:17	<b>Christensen, Eric 2022-07-18</b>	00:00:08	Christensen.37
	56:15 A. There is a final approval		
	56:16 required for us to launch a device with		
	56:17 any applications used under this model.		
65:05 - 65:06	<b>Christensen, Eric 2022-07-18</b>	00:00:03	Christensen.38
	65:05 Q. I would like to take you back,		
	65:06 sir, I believe it was Exhibit		
65:07 - 65:07	<b>Christensen, Eric 2022-07-18</b>	00:00:04	Christensen.39
	65:07 1231.		
70:21 - 71:16	<b>Christensen, Eric 2022-07-18</b>	00:00:43	Christensen.40
 1231.4.1	70:21 Q. So the left-hand column on this		
	70:22 table, it says "Proportion"; do you see		
	70:23 that?		
	70:24 A. Yes.		
 1231.4.2	70:25 Q. And above it says "Compliant		
	71:01		
	71:02 Device Percentages." What does that		
	71:03 refer to?		
	71:04 A. It refers to the proportion of		
	71:05 our portfolio that would be considered		


## Christensen

DESIGNATION	SOURCE	DURATION	ID
	71:06 fully compliant to the requirements in		
	71:07 the Mobile Incentive Agreement.		
	71:08 Q. And there is a range of		
	71:09 percentages. The top is more than 95		
 1231.4.3	71:10 percent; do you see that?		
	71:11 A. Yes.		
	71:12 Q. And it says more than 95 under		
	71:13 proportion. Under "Monthly Revenue 2020		
 1231.4.4	71:14 Lenovo," it says 5.3 million. Do you see		
	71:15 that?		
	71:16 A. Yes.		
71:25 - 72:08	<b>Christensen, Eric 2022-07-18</b>	00:00:20	Christensen.41
	71:25 can you explain how I should		
	72:01		
	72:02 read that table for the 95 percent, sir?		
	72:03 A. If 95 percent of our products		
	72:04 in our portfolio launched during the term		
	72:05 were fully compliant to the requirements		
	72:06 of the Mobile Incentive Agreement, Lenovo		
	72:07 would receive a monthly amount of \$5.3		
	72:08 million.		
75:16 - 75:25	<b>Christensen, Eric 2022-07-18</b>	00:00:22	Christensen.42
 1231.5	75:16 Q. Then the third large bullet		
 1231.5.1	75:17 reads: "We are prohibited from		
	75:18 preloading our own or third-party apps		
	75:19 that are similar to theirs, including		
	75:20 wallets, payment apps, browsers, search		
	75:21 providers, other assistants like Alexa or		
	75:22 apps that download other apps such as		
	75:23 Digital Turbine or another app store."		
	75:24 Did I read that correctly?		
	75:25 A. Yes.		
145:12 - 147:10	<b>Christensen, Eric 2022-07-18</b>	00:02:13	Christensen.43
	145:12 Q. Now, Motorola is in the		
	145:13 business of smart phones; is that right?		
	145:14 A. That's right.		
	145:15 Q. Is there just one sort of smart		
	145:16 phone that Motorola makes or does it make		
	145:17 multiple product families of smart		
	145:18 phones?		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
145:19	A. We make multiple product		
145:20	families.		
145:21	Q. And what are the names of some		
145:22	of the product families of smart phones		
145:23	that Motorola makes today?		
145:24	A. Today, we make the Moto E		
145:25	family, the Moto G family, the Edge		
146:01			
146:02	family. Those are most of it.		
146:03	Q. And those product families, are		
146:04	they all sold at the same price or does		
146:05	Motorola price its product families		
146:06	differently?		
146:07	A. We price them differently. The		
146:08	Moto E is our lowest tier device family.		
146:09	Moto G is in mid-tier price range and the		
146:10	Edge family is more premium.		
146:11	Q. And why does Motorola offer		
146:12	different kinds of smart phones at		
146:13	different prices?		
146:14	A. Well, depending on the market,		
146:15	there are different consumer segments		
146:16	that are able and willing to pay a		
146:17	different amount. And so like a lot of		
146:18	companies in a lot of industries, we will		
146:19	tier our product portfolio.		
146:20	Q. And today, how do Motorola		
146:21	smart phones get into the hands of		
146:22	consumers --		
146:23	A. Can you be more specific about		
146:24	what market you're talking about?		
146:25	Q. -- in the United States?		
147:01			
147:02	A. In the United States, there are		
147:03	a few ways that we distribute product.		
147:04	One is through Motorola.com where our		
147:05	consumer can buy directly from us.		
147:06	Another is through both online and retail		
147:07	partners, such as Best Buy. And the		
147:08	final category are through carrier		
147:09	partners, such as AT&T, Verizon and		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	147:10 T-Mobile.		
147:16 - 147:23  Clear	<b>Christensen, Eric 2022-07-18</b> 147:16 Do the majority of Motorola 147:17 smart phones in the United States get to 147:18 consumers through one of those 147:19 distribution channels as opposed to the 147:20 others? 147:21 A. The vast majority of products 147:22 in the U.S. go through the carrier 147:23 channels.	00:00:15	Christensen.44
147:24 - 148:07	<b>Christensen, Eric 2022-07-18</b> 147:24 Q. Now, was there a time in 147:25 Motorola's history when its smart phones 148:01 148:02 ran on other operating systems besides 148:03 Android? 148:04 A. Yes, there was. 148:05 Q. And which operating systems at 148:06 that time, in Motorola's history, did its 148:07 smart phones run on?	00:00:24	Christensen.45
148:09 - 148:23	<b>Christensen, Eric 2022-07-18</b> 148:09 A. Well, inclusive of all smart 148:10 phones in all markets, we ran smart phone 148:11 devices on the Symbian operating system. 148:12 Microsoft Windows mobile. 148:13 If I can recall correctly, 148:14 there were a couple of internal operating 148:15 systems that were being developed. One 148:16 was called 1.X Java, it was an 148:17 internally-developed operating system 148:18 platform. You could argue that 148:19 Qualcomm's BREW platform might have been 148:20 an operating system, I suppose. 148:21 Q. And when did Motorola begin 148:22 using the Android operating system on 148:23 some of its phones?	00:00:51	Christensen.46
148:25 - 150:04	<b>Christensen, Eric 2022-07-18</b> 148:25 A. I think it was probably 2007, 149:01	00:01:27	Christensen.47

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	149:02 maybe 2008.		
	149:03 Q. And did there come a time when		
	149:04 Motorola decided to use only the Android		
	149:05 operating system on its phones?		
	149:06 A. Yes, there did come a time		
	149:07 where we decided to use Android solely.		
	149:08 Q. When was that?		
	149:09 A. I think it was approximately		
	149:10 2009 or 2010.		
	149:11 Q. And did the Android operating		
	149:12 system have advantages over the other		
	149:13 operating systems that you mentioned		
	149:14 previously?		
	149:15 A. I would say it had some		
	149:16 advantages. All of the operating systems		
	149:17 had advantages to an extent. The main		
	149:18 purpose of how we arrived at selecting		
	149:19 Android. It initially started with we		
	149:20 have too many and we need to consolidate		
	149:21 to save development costs. And so that		
	149:22 drove a lot of decisions.		
	149:23 And I think it's fair to say		
	149:24 that our overall evaluation that the		
	149:25 company arrived at was that Android had		
	150:01		
	150:02 the best opportunity for us		
	150:03 longevity-wise, which has proven to be		
	150:04 correct.		
150:11 - 150:18	<b>Christensen, Eric 2022-07-18</b>	00:00:19	Christensen.48
	150:11 Q. Does Motorola have to		
	150:12 pay Google money to use the Android		
	150:13 operating system?		
	150:14 A. No.		
	150:15 Q. Is Motorola's ability to use		
	150:16 the Android operating system without		
	150:17 paying money to Google important to		
	150:18 Motorola's business?		
150:20 - 150:20	<b>Christensen, Eric 2022-07-18</b>	00:00:02	Christensen.49
	150:20 A. I would presume so, yes.		
150:25 - 151:13	<b>Christensen, Eric 2022-07-18</b>	00:00:38	Christensen.50

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	150:25 Q. Who are Motorola's -- let's 151:01 151:02 start in the United States here. Who are 151:03 Motorola's competitors in the United 151:04 States today? 151:05 A. Apple, Samsung, OnePlus. There 151:06 are probably several others, including 151:07 Google. 151:08 Q. And if I broadened it outside 151:09 of the United States, who would 151:10 Motorola's competitors be outside of the 151:11 United States? 151:12 A. Huawei, Xiaomi. Many other 151:13 Chinese manufacturers.		Christensen.50
152:03 - 152:08	<b>Christensen, Eric 2022-07-18</b> 152:03 Q. In terms of, just focusing on 152:04 Apple for the moment, in terms of the 152:05 competition with Apple, is consistency of 152:06 user experience with Android phones a 152:07 factor that Motorola considers important 152:08 in its competition with Apple?	00:00:16	Christensen.51
152:10 - 152:18	<b>Christensen, Eric 2022-07-18</b> 152:10 A. Yes, consistency is important. 152:11 Q. Why is that? 152:12 A. Well, most importantly from a 152:13 customer retention point of view, from 152:14 Motorola's point of view, we want fairly 152:15 consistent behavior for the user 152:16 experience, such that when a user buys 152:17 their second or third or fourth Motorola 152:18 phone, they have familiarity and comfort.	00:00:27	Christensen.52
153:09 - 153:22	<b>Christensen, Eric 2022-07-18</b> 153:09 Q. Today are there 153:10 applications available that allow a user 153:11 to transfer data from an iOS device to an 153:12 Android device? 153:13 A. Yes. 153:14 Q. And are there also today 153:15 applications available that allow a user 153:16 to transfer data from an Android device	00:00:36	Christensen.53



## Christensen

DESIGNATION	SOURCE	DURATION	ID
	153:17 to an iOS device?		
	153:18 A. I believe so.		
	153:19 Q. And is the possibility of users		
	153:20 switching from Android devices to iOS		
	153:21 devices something that is significant to		
	153:22 Motorola?		
153:24 - 156:09	<b>Christensen, Eric 2022-07-18</b>	00:02:57	Christensen.54
	153:24 A. Yes, it's significant. Apple		
	153:25 has 50 percent market share in the U.S.,		
	154:01		
	154:02 and that's a threat to us as well as		
	154:03 others.		
	154:04 Q. Now, in terms of Motorola's		
	154:05 competition with the companies that		
	154:06 you've mentioned, does Motorola try to		
	154:07 differentiate its smart phones in order		
	154:08 to compete?		
	154:09 A. Yes, we do.		
	154:10 Q. And what do you mean by		
	154:11 differentiate?		
	154:12 A. Well, given, given the		
	154:13 competition, particularly in the Android		
	154:14 space, in the Android smart phone		
	154:15 competitive space, we will try to be, try		
	154:16 to offer software experiences of our own		
	154:17 that I will describe as minimal. Meaning		
	154:18 we try to put as little bloatware or		
	154:19 noise on our devices as we can,		
	154:20 particularly on those Motorola-specific		
	154:21 devices versus a carrier device.		
	154:22 And so I think our best		
	154:23 description of that is as close to		
	154:24 Android as possible, most pure Android as		
	154:25 possible with some exceptions of key		
	155:01		
	155:02 Motorola services and applications.		
	155:03 Q. I want to just ask you now		
	155:04 about a few of the terms that you used in		
	155:05 your answer. You used the term		
	155:06 "bloatware," what is bloatware?		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
155:07	A. Well, common criticisms that we		
155:08	have heard from consumers is,		
155:09	particularly on some device models from		
155:10	AT&T and Verizon that we make or other		
155:11	OEMs make on their behalf, comes from a		
155:12	significant number of applications from		
155:13	those carrier partners. Some are highly		
155:14	valued and highly rated by consumers.		
155:15	Others not so much. So oftentimes a		
155:16	conclusion will be if there is a lot of		
155:17	noise in the app tray or in the home		
155:18	screen, then it feels like, it's referred		
155:19	to somewhere as bloatware meaning it's		
155:20	bloated with applications.		
155:21	Q. So why does Motorola try to put		
155:22	as little bloatware as it can on Motorola		
155:23	devices?		
155:24	A. Well, the simplest explanation		
155:25	is because we think there is a relative		
156:01			
156:02	point of differentiation for us to be		
156:03	somewhat unique in that regard. Samsung		
156:04	and others tend to have a lot of		
156:05	applications on their devices. So we had		
156:06	hoped to have a little bit more of a		
156:07	unique point of view there. However, I		
156:08	suppose Google's own pixel devices		
156:09	undermine that a little bit for us.		
157:11 - 158:16	<b>Christensen, Eric 2022-07-18</b>	00:01:43	Christensen.55
157:11	The other term that you used in		
157:12	your prior answer that I wanted to ask		
157:13	you about is "pure Android." What do you		
157:14	mean by pure Android?		
157:15	A. Well, pure Android is more of a		
157:16	concept. There is not a formal		
157:17	definition. What we tend to think of it		
157:18	as is the Android operating system plus		
157:19	key important highly used, highly rated		
157:20	Google mobile services apps. So that the		
157:21	user experience is very much an		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	157:22 Android-oriented or Google-oriented		
	157:23 experience.		
	157:24 Q. And what are the benefits of		
	157:25 Motorola from a pure Android strategy?		
	158:01		
	158:02 A. Well, the primary benefit had		
	158:03 been for us to differentiate ourselves		
	158:04 compared to the likes of Samsung, for		
	158:05 example. And trying to offer the		
	158:06 customer an experience in which they can		
	158:07 make their own and use, you know, apps		
	158:08 that they want to configure the home		
	158:09 screen displayed the way they want and		
	158:10 position ourselves to be more open for		
	158:11 the user to do so.		
	158:12 Q. And how does pure Android		
	158:13 strategy give the customer an experience		
	158:14 that allows them to configure the home		
	158:15 screen and display the apps that they		
	158:16 want? How specifically does it do that?		
158:18 - 159:03	<b>Christensen, Eric 2022-07-18</b>	00:00:25	Christensen.56
	158:18 A. The user downloads apps that		
	158:19 they want from Google Play and they can,		
	158:20 using Android, they can configure their		
	158:21 own screen with shortcuts and widgets		
	158:22 appropriately to their wishes.		
	158:23 Q. And just to be clear, is		
	158:24 Motorola required to have a pure Android		
	158:25 strategy in order to use the Android		
	159:01		
	159:02 operating system?		
	159:03 A. No.		
160:11 - 160:19	<b>Christensen, Eric 2022-07-18</b>	00:00:25	Christensen.57
	160:11 Q. And under the MADA, does		
	160:12 Motorola pay Google any money for the		
	160:13 license for those Google mobile services		
	160:14 apps?		
	160:15 A. No.		
	160:16 Q. Is Motorola's ability to put		
	160:17 the Google mobile services apps on its		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	160:18 phones without paying money to Google		
	160:19 important to Motorola's business?		
160:21 - 161:04	<b>Christensen, Eric 2022-07-18</b>	00:00:28	Christensen.58
	160:21 A. Yes, it's certainly important		
	160:22 to have popular apps on a device in an		
	160:23 economical way for us.		
	160:24 Q. Does having the GMS apps on		
	160:25 Motorola's smart phones enhance the		
	161:01		
	161:02 customer experience from using those		
	161:03 phones?		
	161:04 A. Yes, we believe so.		
161:05 - 161:07	<b>Christensen, Eric 2022-07-18</b>	00:00:06	Christensen.59
	161:05 Q. Is Google Play one of the GMS		
	161:06 apps covered by the MADA?		
	161:07 A. Yes.		
161:11 - 161:14	<b>Christensen, Eric 2022-07-18</b>	00:00:12	Christensen.60
	161:11 Q. And is it important to		
	161:12 Motorola -- excuse me, is it important to		
	161:13 Motorola's business to have a good app		
	161:14 store pre-installed on its smart phones?		
161:16 - 161:25	<b>Christensen, Eric 2022-07-18</b>	00:00:31	Christensen.61
	161:16 A. Well, it's certainly, based on		
	161:17 our market research and user interviews,		
	161:18 it's certainly important to end-consumers		
	161:19 and customers that use our device. So		
	161:20 it's important for them to have access to		
	161:21 apps and the apps that they want to use.		
	161:22 And so certainly having an app store		
	161:23 that's fully functional and used in a		
	161:24 widespread way with both developers and		
	161:25 consumers is important, yes.		
162:11 - 162:25	<b>Christensen, Eric 2022-07-18</b>	00:00:49	Christensen.62
	162:11 Q. Now, does the MADA itself		
	162:12 prohibit Motorola from preloading another		
	162:13 app store on its smart phones?		
	162:14 A. No.		
	162:15 Q. Are there reasons why Motorola		
	162:16 might choose not to preload more than one		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	162:17 app store on its phones?		
	162:18 A. Well, the most common reason		
	162:19 that exists is because of redundancy for		
	162:20 consumers. Typically, we can't preload		
	162:21 the iOS app store. And so most app		
	162:22 stores that are available as a		
	162:23 third-party store are more limited. So		
	162:24 we think it's in the consumers best		
	162:25 interest to have one.		
163:02 - 163:08	<b>Christensen, Eric 2022-07-18</b>	00:00:22	Christensen.63
	163:02 Q. Does MADA require that Motorola		
	163:03 smart phones be Android compatible?		
	163:04 A. Yes, there is a requirement,		
	163:05 there is a document called the Android		
	163:06 Compatabilty Definition Document, I		
	163:07 think, CDD, which defines a number of		
	163:08 things required.		
164:09 - 165:11	<b>Christensen, Eric 2022-07-18</b>	00:01:20	Christensen.64
	164:09 Q. Have you ever heard of the term		
	164:10 "fragmentation"?		
	164:11 A. Yes.		
	164:12 Q. What is fragmentation as you		
	164:13 understand it?		
	164:14 A. Fragmentation is lack of		
	164:15 commonality or separate implementations		
	164:16 of the same thing, perhaps.		
	164:17 Q. And what would fragmentation		
	164:18 mean in the context of an operating		
	164:19 system like Android?		
	164:20 A. Well, hard to say. An		
	164:21 operating system that is fragmented may		
	164:22 behave differently. For example, if		
	164:23 multiple OEM manufacturers implemented		
	164:24 their own Bluetooth APIs, for example,		
	164:25 where it was unique, you would have a		
	165:01		
	165:02 hard time buying a pair of headphones and		
	165:03 having them work properly on a device and		
	165:04 pair properly with a, you know, through		
	165:05 Bluetooth. So without common APIs, a		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	165:06 common operating system, it becomes 165:07 pretty fragmented, I suppose. 165:08 Q. And would fragmentation of the 165:09 Android operating system be good for 165:10 Motorola's business or bad for Motorola's 165:11 business?		
165:13 - 166:19	<b>Christensen, Eric 2022-07-18</b> 165:13 A. Well, generally, it's not good 165:14 for consumers and as such, it wouldn't be 165:15 good for our business. 165:16 Q. Why is it not good for 165:17 consumers? 165:18 A. In the similar example that I 165:19 just mentioned, whether it's Bluetooth, 165:20 whether it's WiFi. If you don't have 165:21 common APIs for apps to handle, even 165:22 location-oriented apps, you know, it's 165:23 frustrating as a user if you can't, if a 165:24 certain app requires your location, for 165:25 example, or a certain app requires 166:01 166:02 pairing to a Bluetooth device, it would 166:03 certainly be frustrating for users if 166:04 that wouldn't work consistently across 166:05 pieces of hardware and as such it's 166:06 important to consumers and as a result 166:07 important to Motorola. 166:08 Q. Now, I asked you this question 166:09 about app stores a moment ago. I want to 166:10 ask about applications more generally. 166:11 Does the MADA itself prohibit 166:12 Motorola from entering into 166:13 preinstallation deals with other 166:14 companies besides Google? 166:15 A. No. 166:16 Q. And has Motorola, in the past, 166:17 considered entering into preinstallation 166:18 agreements with other companies besides 166:19 Google?	00:01:16	Christensen.65
166:21 - 166:21	<b>Christensen, Eric 2022-07-18</b>	00:00:01	Christensen.66

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	166:21 A. Yes, we have.		Christensen.66
179:12 - 181:04	<b>Christensen, Eric 2022-07-18</b>	00:01:59	Christensen.67
	179:12 Q. I want to ask you just a few		
	179:13 questions now about one of the other sets		
	179:14 of agreements that we have talked about		
	179:15 today. And that is the RSA and the MIA.		
	179:16 Let me start with the RSA. Were you		
	179:17 involved in negotiating RSA's with Google		
	179:18 on behalf of Motorola?		
	179:19 A. Yes.		
	179:20 Q. And just so we're clear about		
	179:21 these things, as of today is the RSA		
	179:22 between Motorola and Google still in		
	179:23 effect or has it been replaced with		
	179:24 something else?		
	179:25 A. The RSA when it expired,		
	180:01		
	180:02 finally was replaced by the Mobile		
	180:03 Incentive Agreement.		
	180:04 Q. And the Mobile Incentive		
	180:05 Agreement is sometimes referred to as the		
	180:06 MIA; is that right?		
	180:07 A. That's right.		
	180:08 Q. A lot of acronyms here. So let		
	180:09 me start by asking you about the		
	180:10 structure of the RSA. Is the RSA a		
	180:11 device-by-device agreement?		
	180:12 A. That's one way to characterize		
	180:13 it, yes.		
	180:14 Q. And I guess I should say, was		
	180:15 the RSA a device-by-device agreement.		
	180:16 And what does that mean, a		
	180:17 device-by-device agreement?		
	180:18 A. Well, in the context of the RSA		
	180:19 that we had signed, each device had a		
	180:20 Revenue Share Agreement element to it.		
	180:21 Meaning that on any given device that we		
	180:22 opted into to meet the requirements of		
	180:23 the RSA, if a user clicked on a search,		
	180:24 we would get a percentage share of that		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	180:25 specific user's search. And as such, 181:01 181:02 products that weren't included that we 181:03 opted to exclude ourselves from the RSA, 181:04 we didn't get paid under the RSA.		
181:14 - 182:24	<b>Christensen, Eric 2022-07-18</b>  181:14 Which company, Motorola or 181:15 Google, or another company, would make 181:16 the decision about which devices would be 181:17 covered by the -- included in the RSA and 181:18 which would not? 181:19 A. Motorola. 181:20 Q. And so does that mean that 181:21 during the life of the RSA, at any given 181:22 time, Motorola might have some devices 181:23 that were covered by the terms of the RSA 181:24 and some devices that were not in the 181:25 market? 182:01 182:02 A. Yes. 182:03 Q. Over the life of the RSA from 182:04 the start until the conclusion, did the 182:05 number of devices that Motorola chose to 182:06 opt into the RSA go up or go down or stay 182:07 the same or something else, how would you 182:08 describe it? 182:09 A. I would say it went up. 182:10 Q. Why did Motorola choose to 182:11 include more devices in the RSA over the 182:12 life of that agreement? 182:13 A. Well, initially, we weren't 182:14 certain what the revenue share would 182:15 produce. It took a while for that to get 182:16 into products. We don't release new 182:17 products every day. So you have to wait 182:18 for the next product to be available and 182:19 decide if it's going to be included in 182:20 the RSA or not. 182:21 And so it took us a number of, 182:22 really, a year or two before that started	00:01:46	Christensen.68



## Christensen

DESIGNATION	SOURCE	DURATION	ID
	182:23 looking more, more of a positive trend		
	182:24 economically. So it grew over time.		
184:11 - 185:12	<b>Christensen, Eric 2022-07-18</b>	00:01:23	Christensen.69
	184:11 Q. Now, I think you alluded to		
	184:12 this in your prior answer, but what does		
	184:13 Motorola get out of the MIA?		
	184:14 A. Well, there is a monetary		
	184:15 incentive if you're talking about what		
	184:16 specifically we benefit from.		
	184:17 Q. And does Motorola have -- are		
	184:18 there any obligations under the MIA with		
	184:19 respect to Motorola that apply to Google		
	184:20 Play?		
	184:21 A. So Google Play is an app		
	184:22 that's, I think, listed as an alternative		
	184:23 function, if I am not mistaken, in the		
	184:24 Mobile Incentive Agreement, meaning that		
	184:25 an alternative app store would not be		
	185:01		
	185:02 part of a device that is compliant to		
	185:03 those requirements.		
	185:04 Q. And when you say an alternative		
	185:05 app store would not be part of a device		
	185:06 that's compliant to those requirements,		
	185:07 do you mean that a device that has		
	185:08 another app store preloaded or		
	185:09 preinstalled on it would not comply with		
	185:10 that part of the MIA; is that what you		
	185:11 mean?		
	185:12 A. Yes.		
185:13 - 185:22	<b>Christensen, Eric 2022-07-18</b>	00:00:28	Christensen.70
	185:13 Q. Is there anything in the MIA		
	185:14 that prevents a user from installing		
	185:15 another app store on their phone once		
	185:16 they open the box and turn it on and		
	185:17 start using the phone?		
	185:18 A. No, there is no restrictions.		
	185:19 In fact, that was important to us for		
	185:20 consumers to be able to have the		
	185:21 flexibility to download any app, any Play		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	185:22 Store, any app store that they want.		
186:20 - 186:21	<b>Christensen, Eric 2022-07-18</b>	00:00:07	Christensen.71
	186:20 Q. Was Motorola's decision to		
	186:21 enter into the MIA voluntary?		
186:23 - 187:02	<b>Christensen, Eric 2022-07-18</b>	00:00:06	Christensen.72
	186:23 A. Yes, it was.		
	186:24 Q. How about the RSA, was		
	186:25 Motorola's decision to enter into the RSA		
	187:01		
	187:02 voluntary?		
187:04 - 187:12	<b>Christensen, Eric 2022-07-18</b>	00:00:21	Christensen.73
	187:04 A. Yes.		
	187:05 Q. Is Motorola required to enter		
	187:06 into the MIA in order to use the Android		
	187:07 operating system on its smart phones?		
	187:08 A. No.		
	187:09 Q. Is Motorola required to enter		
	187:10 into the MIA in order to put the GMS apps		
	187:11 on their smart phones under the MADA?		
	187:12 A. No.		
187:25 - 188:24	<b>Christensen, Eric 2022-07-18</b>	00:01:25	Christensen.74
	187:25 Q. If Motorola were to enter into		
	188:01		
	188:02 a preload or preinstallation deal with		
	188:03 another company that did not fit with the		
	188:04 requirements of the MIA, how would		
	188:05 Motorola do that?		
	188:06 A. Well, it would fall upon me to		
	188:07 follow up with Google on that. If we had		
	188:08 a scenario where we felt it was		
	188:09 compelling to our business, compelling to		
	188:10 the consumer, we would go through a		
	188:11 process to discuss with Google and		
	188:12 request an exemption for that particular		
	188:13 requirement for that particular		
	188:14 application.		
	188:15 Q. And what would Motorola's		
	188:16 options be, if you didn't get the		
	188:17 exemption?		

## Christensen

DESIGNATION	SOURCE	DURATION	ID
	188:18 A. Our options would be to go 188:19 forward with the preload of that app and 188:20 use that device as, consider that device 188:21 not part of the MIA portion of the 188:22 portfolio. Or our option would be to 188:23 not, not -- to not agree to the preload 188:24 with the other partner.		
188:25 - 189:05	<b>Christensen, Eric 2022-07-18</b> 188:25 Q. So Motorola could still, even 189:01 189:02 if it didn't get the exemption, Motorola 189:03 could still enter into the preload deal, 189:04 that would just reduce the percentages of 189:05 the devices in the MIA portfolio, right?	00:00:14	Christensen.75
189:07 - 189:07	<b>Christensen, Eric 2022-07-18</b> 189:07 A. That's a fair way to say it.	00:00:02	Christensen.76
189:08 - 189:23	<b>Christensen, Eric 2022-07-18</b> 189:08 Q. Does the MIA also include some 189:09 requirements about security? 189:10 A. I believe so. 189:11 Q. What are those requirements, if 189:12 you remember them? 189:13 A. Well, if I recall there are 189:14 some incentives for upgrading devices to 189:15 a new version of the mobile OS, the 189:16 Android OS. I think there is some 189:17 requirements to encourage use of security 189:18 patches, I believe. 189:19 Q. And is security on its devices 189:20 important to Motorola's business? 189:21 A. I would say secure devices are 189:22 important to consumers and as a result 189:23 it's important to our business.	00:00:51	Christensen.77
192:22 - 193:03	<b>Christensen, Eric 2022-07-18</b> 192:22 Q. What percentage of Motorola 192:23 devices are currently MADA compliant? 192:24 A. Are you talking about -- can 192:25 you be specific about which markets? 193:01	00:00:18	Christensen.78

**Christensen**

DESIGNATION	SOURCE	DURATION	ID
	193:02 Q. Well, let's start with the U.S.		
	193:03 A. U.S., it's 100 percent.		
193:08 - 193:14	<b>Christensen, Eric 2022-07-18</b>	00:00:21	Christensen.79
	193:08 Q. And in order to be MADA		
	193:09 compliant, as I believe you testified		
	193:10 earlier today, Google's core GMS apps		
	193:11 have to be preloaded on devices sold by		
	193:12 Motorola, correct?		
	193:13 A. The mandatory GMS apps have to		
	193:14 be preloaded, that's correct.		
194:03 - 194:08	<b>Christensen, Eric 2022-07-18</b>	00:00:20	Christensen.80
	194:03 Q. And so that means, is it		
	194:04 correct that in the United States in		
	194:05 order to be MADA compliant, Motorola		
	194:06 preloads Search, Chrome, Gmail, Maps,		
	194:07 YouTube and Play on 100 percent of the		
	194:08 smart phones it sells?		
194:10 - 194:11	<b>Christensen, Eric 2022-07-18</b>	00:00:06	Christensen.81
	194:10 A. Yes, we preinstall those apps		
	194:11 in all devices that we sell in the U.S.		

Designation	00:43:38
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<b>TOTAL RUN TIME</b>	<b>00:43:38</b>
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Documents linked to video:

1231

1232

## **Deposition Designations of Hans Stolfus**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
10:23 - 10:25	<b>Stolfus, Hans 2022-02-11</b> 10:23 Q. Would you state your full 10:24 name for the record, please. 10:25 A. Hans Stolfus.	00:00:06	Stolfus.1
45:21 - 45:24	<b>Stolfus, Hans 2022-02-11</b> 45:21 What is your position at 45:22 Epic? 45:23 A. My current position is 45:24 strategic partnerships director.	00:00:08	Stolfus.2
47:22 - 48:12	<b>Stolfus, Hans 2022-02-11</b> 47:22 Q. All right. And before 47:23 becoming a strategic partnership 47:24 director in July of 2021, or June, 47:25 whatever the date was, what position 48:01 48:02 did you hold at Epic? 48:03 A. My title was partnerships 48:04 lead on mobile. 48:05 Q. What were your 48:06 responsibilities in that role? 48:07 A. My responsibilities were 48:08 maintaining relationships and growing 48:09 partnerships with OEMs on the Android 48:10 space, and in addition to growing the 48:11 direct-carrier billing business with 48:12 operators globally.	00:00:37	Stolfus.3
51:19 - 52:12	<b>Stolfus, Hans 2022-02-11</b> 51:19 Q. And then what position 51:20 did you hold at Epic prior to that? 51:21 A. When I first arrived at Epic, 51:22 I was a senior marketing manager on 51:23 mobile. 51:24 Q. Okay. And what were your 51:25 responsibilities as a senior marketing 52:01 52:02 manager mobile? 52:03 A. Very similar, if not 52:04 identical, to my role as partnerships 52:05 lead. I was responsible for	00:00:43	Stolfus.4

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	52:06 relationships, negotiations, business		
	52:07 dealings, agreements, and		
	52:08 communications with both OEMs and		
	52:09 carriers, with a focus primarily on		
	52:10 growing the Android business through		
	52:11 co-marketing efforts with each of the		
	52:12 partners.		
57:24 - 58:08	<b>Stolfus, Hans 2022-02-11</b>	00:00:25	Stolfus.5
	57:24 Q. Now, prior to coming to Epic,		
	57:25 where did you work?		
	58:01		
	58:02 A. My employer prior to Epic was		
	58:03 Samsung Electronics America.		
	58:04 Q. And what position did you		
	58:05 hold immediately prior to leaving		
	58:06 Samsung Electronics of America?		
	58:07 A. I was a Senior Manager II of		
	58:08 partnerships, partnership marketing.		
70:07 - 70:08	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.6
	70:07 We're putting up a document,		
 10184.1	70:08 Mr. Stolfus, that will be marked as 10184.		
71:16 - 71:16	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.7
	71:16 Q. And do you know what it is?		
71:17 - 71:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:09	Stolfus.8
	71:17 A. We had a regular mobile		
	71:18 business review, and this was just an		
	71:19 update to my recollection.		
72:17 - 72:22	<b>Stolfus, Hans 2022-02-11</b>	00:00:10	Stolfus.9
 10184.2	72:17 Q. And you see there,		
	72:18 there's -- the middle column says:		
 10184.2.1	72:19 OEM + Android Partnerships. Team		
	72:20 Leads: Hans S.		
	72:21 Do you see that?		
	72:22 A. I see it.		
77:21 - 78:03	<b>Stolfus, Hans 2022-02-11</b>	00:00:22	Stolfus.10
 Clear	77:21 So if we were to say there is		
	77:22 100 percent Android phones when Epic		
	77:23 came onto Android, do you know what		
	77:24 percentage of those Android phones had		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	77:25 the technical capability to take a game		
	78:01		
	78:02 like Fortnite, to be able to		
	78:03 technically support it on the phone?		
78:06 - 78:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:26	Stolfus.11
	78:06 A. I don't have a percentage. I		
	78:07 don't know what percentage of phones		
	78:08 could play Fortnite in relation to the		
	78:09 total number of Android devices in the		
	78:10 wild.		
	78:11 Q. Okay. But it wasn't		
	78:12 100 percent of Android phones, right?		
	78:13 Not all Android phones had the		
	78:14 technical capability to take Fortnite;		
	78:15 is that your understanding?		
	78:16 A. Not all Android phones can		
	78:17 run Fortnite, that's correct.		
79:09 - 80:04	<b>Stolfus, Hans 2022-02-11</b>	00:00:50	Stolfus.12
	79:09 Huawei is an OEM; is that		
	79:10 right?		
	79:11 A. Huawei is an OEM, that's		
	79:12 correct.		
	79:13 Q. Did Epic have any		
	79:14 interactions or do any deal with		
	79:15 Huawei?		
	79:16 A. Epic entered into a		
	79:17 partnership with Huawei prior to my		
	79:18 arrival. I don't have the exact date,		
	79:19 but I believe it is in the December or		
	79:20 January -- December 2018 or		
	79:21 January 2019 time frame in which Epic		
	79:22 entered into an agreement with Huawei.		
	79:23 Q. And was that agreement a --		
	79:24 include a preinstallation provision?		
	79:25 A. That agreement included		
	80:01		
	80:02 preinstallation of the Fortnite		
	80:03 installer on certain Honor devices that		
	80:04 Huawei was selling.		
80:11 - 80:16	<b>Stolfus, Hans 2022-02-11</b>	00:00:12	Stolfus.13



**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	80:11 Q. And do you know if 80:12 that agreement is still in effect? 80:13 A. That agreement is no longer 80:14 in effect. 80:15 Q. Why -- why was it not 80:16 renewed?		Stolfus.13
80:19 - 80:24	<b>Stolfus, Hans 2022-02-11</b> 80:19 A. The Huawei agreement was not 80:20 renewed or continued because we were no 80:21 longer able to communicate with Huawei, 80:22 from a technical perspective, due to 80:23 government restrictions that had been 80:24 placed on Huawei.	00:00:19	Stolfus.14
81:07 - 81:24	<b>Stolfus, Hans 2022-02-11</b> 81:07 Did Epic engage in 81:08 negotiations with LG about 81:09 distribution? 81:10 A. Epic Games also engaged with 81:11 LG regarding preinstallation of the 81:12 Fortnite installer on LG phones. 81:13 Q. And did those negotiations 81:14 result in an agreement for distribution 81:15 on LG? 81:16 A. Those negotiations led to an 81:17 agreement that existed between Epic 81:18 Games and LG regarding preinstallation 81:19 of the Fortnite installer on new LG -- 81:20 they had a new device that they were 81:21 launching that they wanted to focus on 81:22 the gaming population, and the 81:23 preinstallation of the app was targeted 81:24 towards those devices.	00:00:45	Stolfus.15
85:25 - 87:12	<b>Stolfus, Hans 2022-02-11</b> 85:25 Q. Well, do you know whether 86:01 86:02 Epic had discussions with OnePlus about 86:03 distribution? 86:04 A. Yes. Yes, very much so. We 86:05 went down quite a path with OnePlus 86:06 regarding distribution and	00:01:33	Stolfus.16

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	86:07 co-marketing.		
	86:08 Q. And was a deal done with		
	86:09 OnePlus with regard to distribution and		
	86:10 co-marketing?		
	86:11 A. Yes. We formalized a		
	86:12 partnership with OnePlus.		
	86:13 Q. Okay. And did that deal		
	86:14 include preinstallation?		
	86:15 A. The deal was meant to include		
	86:16 global preinstallation, and it ended up		
	86:17 only have preinstallation in India.		
	86:18 Q. And why is that?		
	86:19 A. I was informed by OnePlus		
	86:20 that we were unable to have		
	86:21 preinstallation of our app globally		
	86:22 because of Google.		
	86:23 Q. And who at OnePlus told you		
	86:24 that?		
	86:25 A. Our contact at OnePlus, I		
	87:01		
	87:02 believe his title is director of		
	87:03 business development or games business		
	87:04 development. His name is Eric Gass.		
	87:05 He informed us -- our team,		
	87:06 myself included -- that we were unable		
	87:07 to move forward with our		
	87:08 preinstallation plans with OnePlus on		
	87:09 one all OnePlus devices globally		
	87:10 because Google blocked the proposal to		
	87:11 pre-install our app on their devices		
	87:12 outside of India.		
93:09 - 93:15	<b>Stolfus, Hans 2022-02-11</b>	00:00:16	Stolfus.17
	93:09 Q. Has Epic sought a		
	93:10 preinstallation agreement with Razer on		
	93:11 mobile products?		
	93:12 A. It's my understanding we've		
	93:13 had communications with Razer regarding		
	93:14 preinstallation on their mobile		
	93:15 products.		
96:13 - 97:02	<b>Stolfus, Hans 2022-02-11</b>	00:00:32	Stolfus.18


## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	96:13 Q. Okay. And what about Xiaomi?		Stolfus.18
	96:14 Has Epic had any		
	96:15 predistribution negotiations with		
	96:16 Xiaomi?		
	96:17 A. Yes. And we've very		
	96:18 interested in working with Xiaomi on		
	96:19 distribution as they continue to grow		
	96:20 their business in Latin America.		
	96:21 Q. And has a distribution		
	96:22 agreement been struck between Epic and		
	96:23 Xiaomi?		
	96:24 A. Not yet, but we're very		
	96:25 interested in potentially pursuing		
	97:01		
	97:02 that, if it comes to fruition.		
100:13 - 100:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:10	Stolfus.19
	100:13 And Sony. Have there been		
	100:14 discussions with Sony about		
	100:15 distribution?		
	100:16 A. Sony Mobile, we entered into		
	100:17 an agreement with.		
103:06 - 103:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:31	Stolfus.20
	103:06 Q. And Samsung, Epic entered		
	103:07 into an agreement with Samsung		
	103:08 concerning preinstallation or		
	103:09 distribution; isn't that so?		
	103:10 A. That's correct. Epic entered		
	103:11 an agreement with Samsung regarding		
	103:12 installation and distribution of the		
	103:13 Fortnite installer and eventually Epic		
	103:14 Games App.		
	103:15 Q. And Epic entered into that		
	103:16 agreement in August of 2018; is that		
	103:17 consistent with your recollection?		
	103:18 A. August 9, 2018, we launched		
	103:19 together, yes, correct.		
103:22 - 104:06	<b>Stolfus, Hans 2022-02-11</b>	00:00:18	Stolfus.21
	103:22 And what was the duration of		
	103:23 the Samsung agreement?		
	103:24 A. The duration? It was		




## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	103:25 originally a three-year agreement with 104:01 104:02 an automatic renew. 104:03 Q. Has the agreement been 104:04 renewed? 104:05 A. We are currently in the 104:06 fourth year of the agreement.		
104:20 - 105:20	<b>Stolfus, Hans 2022-02-11</b> 104:20 Q. And so this 104:21 effectively four-year agreement, three 104:22 plus one, that involves preinstallation 104:23 of the app stub; is that correct? 104:24 A. The original agreement 104:25 involved preinstallation of the 105:01 105:02 Fortnite installer, which eventually 105:03 became the Epic Games App, on available 105:04 devices sold directly by Samsung to the 105:05 consumer. 105:06 Q. Okay. 105:07 A. The app has become available 105:08 in the Galaxy Store. 105:09 Since that time, that is our 105:10 primary distribution mechanic at this 105:11 time. Samsung is not actively 105:12 preinstalling the Epic Games App. It 105:13 is available within the Galaxy Store. 105:14 Q. Within the Galaxy Store. 105:15 Right. 105:16 And do you know -- do you 105:17 know, say, as of August 2018, 105:18 approximately what percentage of 105:19 Android phones worldwide, except for 105:20 China, Samsung accounted for?	00:01:13	Stolfus.22
105:21 - 106:02	<b>Stolfus, Hans 2022-02-11</b> 105:21 A. I don't have the exact 105:22 specific market-share breakdown or a 105:23 number. 105:24 I know that Samsung was a 105:25 leader and a leader in market share	00:00:11	Stolfus.23

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	106:01		
	106:02 globally for the Android marketplace.		
107:12 - 107:13	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.24
	107:12 Q. Was it more than 50 percent		
	107:13 in the United States?		
107:16 - 107:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:08	Stolfus.25
	107:16 A. To my knowledge, Samsung's		
	107:17 market share, for the Android market		
	107:18 specifically, was more than 50 percent		
	107:19 in the United States, yes.		
151:24 - 152:12	<b>Stolfus, Hans 2022-02-11</b>	00:00:38	Stolfus.26
	151:24 Q. Did you ever complain to a		
	151:25 coworker that you felt the company Epic		
	152:01		
	152:02 was not supporting the efforts to get		
	152:03 Play onto Android -- or to get Fortnite		
	152:04 onto Android and Google Play? So		
	152:05 leading up to April 2020?		
	152:06 A. There were more than one		
	152:07 occasion where I complained about what		
	152:08 I perceived as a lack of support		
	152:09 regarding our efforts.		
	152:10 But, again, it's a		
	152:11 challenging situation, and it was a		
	152:12 difficult proposition to take on.		
156:04 - 156:10	<b>Stolfus, Hans 2022-02-11</b>	00:00:19	Stolfus.27
	156:04 Q. And you felt the company was		
	156:05 doing more to promote Fortnite on iOS		
	156:06 than Android; isn't that true?		
	156:07 A. We had a larger player base		
	156:08 on iOS. A more passionate player base,		
	156:09 perhaps. And we were doing more at		
	156:10 that time to support iOS than Android.		
167:14 - 167:15	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.28
	167:14 Q. And if we can go to		
 10184.35	167:15 1471, please.		
167:17 - 167:18	<b>Stolfus, Hans 2022-02-11</b>	00:00:05	Stolfus.29
	167:17 You see the title of this is		
	167:18 "Mobile Partnerships: Android"?		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID	
170:12 - 170:25	<b>Stolfus, Hans 2022-02-11</b>	00:00:32	Stolfus.30	
 10184.35.1	170:12 Q. Let's go to the second column			
	170:13 Samsung, and the final row: Total			
	170:14 (Fortnite) device Market Share			
	170:15 (excluding China).			
	170:16 Do you see where I am?			
	170:17 A. I do.			
	170:18 Q. And what's the number that			
	170:19 appears under the Samsung column under			
	170:20 that last row?			
	170:21 A. 56 percent.			
	170:22 Q. What does that mean?			
	170:23 A. This means that 56 percent of			
	170:24 our supported device market share			
170:25 excluding China were Samsung devices.				
243:09 - 243:11	<b>Stolfus, Hans 2022-02-11</b>	00:00:06	Stolfus.31	
 10028-UNHIG HLIGHTED.1	243:09 MR. SIMMONS: Mr. Stolfus,			
	243:10 we'll put before you and the			
	243:11 counsel a document, 10028.			
244:05 - 244:18	<b>Stolfus, Hans 2022-02-11</b>	00:00:37	Stolfus.32	
	244:05 Now, this is an e-mail			
	244:06 exchange with you and Lawrence Koh of			
	244:07 Google; is that right?			
	244:08 A. And Dan Song, that's correct.			
	244:09 Q. Dan Song.			
	244:10 And it's April 21, 2020.			
	244:11 Do you see that?			
	244:12 A. I do, April 21, 2020.			
	244:13 Q. And I believe that was, what,			
	244:14 two days before the actual launch of			
	244:15 Fortnite on Play, Google Play?			
	244:16 A. I actually believed it was			
	244:17 this day that we launched together in			
	244:18 our patch, if I'm not mistaken.			
	244:20 - 247:12	<b>Stolfus, Hans 2022-02-11</b>	00:03:12	Stolfus.33
	 10028-UNHIG HLIGHTED.1.3	244:20 Can you read the		
		244:21 paragraph beginning "Hey,		

## Stolfus




DESIGNATION	SOURCE	DURATION	ID
	244:22 Lawrence/Dan," in your e-mail at the		
	244:23 bottom at 11:59?		
	244:24 A. Hey Lawrence/Dan, Sorry I had		
	244:25 to drop from our call. Thanks again		
	245:01		
	245:02 for all the time and energy spent on		
	245:03 getting Fortnite live on the Google		
	245:04 Play Store. Wouldn't have happened		
	245:05 without 24-hour support, so we		
	245:06 recognize and appreciate it.		
	245:07 Know we're still working on a		
	245:08 long-term anti-cheat solution, but		
	245:09 super excited for the players who will		
	245:10 get to experience Fortnite on Google		
	245:11 Play this weekend for such a cool,		
	245:12 collective in-game moment.		
	245:13 About to close my eyes for		
	245:14 potentially good. So if I don't wake		
	245:15 up, it's been a pleasure.		
	245:16 Great work by you and your		
	245:17 teams.		
	245:18 Hans.		
	245:19 Q. Could you give us examples of		
	245:20 the kind of 24-hour support that Google		
	245:21 provided to Epic?		
	245:22 A. Lawrence and his team were		
	245:23 available for us to leverage, from both		
	245:24 a business development console support,		
	245:25 metadata, client submission, release		
	246:01		
	246:02 time line. They were available		
	246:03 throughout the weekend so that we could		
	246:04 launch collectively in advance of a		
	246:05 special moment within Fortnite.		
 Clear	246:06 Q. And Google provided various		
	246:07 testing features to Epic leading up to		
	246:08 the launch; isn't that right?		
	246:09 A. Yeah, there was a test track		
	246:10 that they unlocked for us in addition		
	246:11 to the production track.		
	246:12 That was -- I don't know how		

**Stolfus**


DESIGNATION	SOURCE	DURATION	ID
	246:13 standard that was, but that was		
	246:14 something that Google provided us		
	246:15 during the stretch to effectively		
	246:16 launch in an expedited time line.		
	246:17 Q. What was the test track?		
	246:18 A. I don't know if I -- we had a		
	246:19 release manager involved in these		
	246:20 conversations who managed the test		
	246:21 track and the release cadence and the		
	246:22 candidate submission.		
	246:23 I can't speak directly to how		
	246:24 the test track or the production test		
	246:25 works. That's not my responsibility.		
	247:01		
	247:02 But to my knowledge, we		
	247:03 gained access to an ability to submit		
	247:04 our app and go back and forth on the		
	247:05 review process of the app, and making		
	247:06 sure that everything was in place for a		
	247:07 product launch the following Tuesday.		
	247:08 Q. Or that the product launch		
	247:09 would be successful. There wouldn't be		
	247:10 any hitches, technical hitches.		
	247:11 Is that a fair statement?		
	247:12 A. That's a fair statement.		
248:17 - 248:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:06	Stolfus.34
	248:17 Q. Did Google charge Epic		
	248:18 anything for its time and effort		
	248:19 expended on the test track?		
248:22 - 248:23	<b>Stolfus, Hans 2022-02-11</b>	00:00:05	Stolfus.35
	248:22 A. No, Google didn't charge Epic		
	248:23 anything for this process.		
249:15 - 249:16	<b>Stolfus, Hans 2022-02-11</b>	00:00:02	Stolfus.36
	249:15 Q. The 24-hour support you		
	249:16 reference in 10028		
249:17 - 249:18	<b>Stolfus, Hans 2022-02-11</b>	00:00:06	Stolfus.37
	249:17 Did Google ever charge you anything for the		
	249:18 24-hour support they provided to Epic?		
249:19 - 249:22	<b>Stolfus, Hans 2022-02-11</b>	00:00:07	Stolfus.38





## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	249:19 A. Google did not charge us for 249:20 any of the support that they offered to 249:21 bring Fortnite into the Google Play 249:22 Store.		Stolfus.38
249:23 - 249:24	<b>Stolfus, Hans 2022-02-11</b>	00:00:01	Stolfus.39
 10193.1	249:23 MR. SIMMONS: We're going to 249:24 mark as 10193		
249:25 - 249:25	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.40
	249:25 another document that will appear shortly.		
250:20 - 251:06	<b>Stolfus, Hans 2022-02-11</b>	00:00:26	Stolfus.41
	250:20 Q. The e-mail at 250:21 the top is from you to Lawrence Koh of 250:22 Google, Ed Zobrist at Epic Games, an 250:23 Purnima Kochikar of Google dated 250:24 April 15, 2020. 250:25 Do you see that? 251:01 251:02 A. I do. 251:03 Q. This is about -- what? -- 251:04 six days or so before the launch of 251:05 Fortnite on Play; is that right? 251:06 A. This is correct.		
252:05 - 252:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:23	Stolfus.42
 10193.3	252:05 Q. And if you turn to the 252:06 last page of this document, 1776. 252:07 A. Okay. 252:08 Q. That's an e-mail from 252:09 Mr. Zobrist to Purnima and Lawrence. 252:10 Do you see that? 252:11 A. I do.		
 10193.3.1	252:12 Q. Can you read the text into 252:13 the record "As we discussed," under 252:14 number 1?		
252:15 - 253:18	<b>Stolfus, Hans 2022-02-11</b>	00:01:30	Stolfus.43
	252:15 A. As we discussed, Epic will 252:16 submit an updated build that fully 252:17 complies with Google's policies and 252:18 restrictions. To that end, the new 252:19 build will differ from past rejected		


**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	252:20 build in these ways.		
	252:21 Q. Can you read the rest of this		
	252:22 part 1, please.		
	252:23 A. Old build issue: Violation		
	252:24 of Google's Payments policy due to		
	252:25 providing a payment method other than		
	253:01		
	253:02 Google Play Billing for purchases. New		
	253:03 build fix: Google Payment platform		
	253:04 integrated and all other payment		
	253:05 platforms removed.		
	253:06 Old build issue: Violation		
	253:07 of the Developer Distribution Agreement		
	253:08 due to linking out to our website that		
	253:09 could be used to go to the sideloading		
	253:10 flow text on our website. New build		
	253:11 fix: We are removing the sideloading		
	253:12 flow text from our website to		
	253:13 accommodate this request.		
	253:14 Old build issue: Build		
	253:15 included Epic Games App launcher.		
	253:16 New build fix: The app will		
	253:17 strictly be Fortnite and not include		
	253:18 the Epic Games App launcher.		
253:20 - 254:09	<b>Stolfus, Hans 2022-02-11</b>	00:00:32	Stolfus.44
	253:20 How many times prior to		
	253:21 writing this -- submitting this build,		
	253:22 how many times had Epic's build been		
	253:23 rejected by Google?		
	253:24 A. To my understanding, it was		
	253:25 rejected twice prior to this		
	254:01		
	254:02 submission.		
	254:03 Q. So this was the third		
	254:04 submission; is that a fair statement?		
	254:05 A. To my understanding, that is		
	254:06 correct.		
 10193.3	254:07 Q. And the date of this e-mail		
	254:08 is April 9, 2020, right?		
	254:09 A. That's correct.		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
255:06 - 255:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:48	Stolfus.45
 Clear	255:06 Q. Did Epic, in fact, do so?		
	255:07 Submit an updated build that fully		
	255:08 complied with Google's policies and		
	255:09 restrictions?		
	255:10 A. Yeah. We submitted it, and		
	255:11 it went live on April 21.		
	255:12 Q. Okay. And did there come a		
	255:13 time where Epic decided it was going to		
	255:14 violate Google's policies and		
	255:15 restrictions?		
	255:16 A. There came a time, after this		
	255:17 e-mail thread, in which Epic elected to		
	255:18 submit a hot fix that violated Google's		
	255:19 policies.		
259:25 - 260:02	<b>Stolfus, Hans 2022-02-11</b>	00:00:05	Stolfus.46
	259:25 Q. I mean, Google was deceived		
	260:01		
	260:02 by Epic, right?		
260:03 - 260:04	<b>Stolfus, Hans 2022-02-11</b>	00:00:08	Stolfus.47
	260:03 A. Google was unaware that we		
	260:04 were going to do this.		
262:06 - 262:07	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.48
 10194.1	262:06 MR. SIMMONS: We're going to		
	262:07 put up a document, 10194		
262:08 - 262:09	<b>Stolfus, Hans 2022-02-11</b>	00:00:08	Stolfus.49
	262:08 which bears production numbers		
	262:09 EPIC_GOOGLE_01967907.		
262:15 - 262:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:18	Stolfus.50
	262:15 Q. This is an e-mail		
	262:16 between you and Ed Zobrist dated		
	262:17 April 23, 2020; is that right?		
	262:18 A. This e-mail is dated		
	262:19 Thursday, April 23, 2020.		
262:22 - 262:23	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.51
	262:22 Read from the bottom to the		
	262:23 top.		
263:04 - 264:22	<b>Stolfus, Hans 2022-02-11</b>	00:02:28	Stolfus.52




## Stolfus

DESIGNATION	SOURCE	DURATION	ID
 10194.1.8	263:04 A. Hi all. Ed, can you arrange 263:05 a meeting next week for 90 minutes to 263:06 discuss mobile payment strategy and 263:07 options in detail? For example, 263:08 time line required to implement Epic 263:09 payment processing on Android and iOS 263:10 side by side with platform payments, 263:11 new payment options to prioritize 263:12 (carrier billing, Samsung Pay on, 263:13 Android) whether we can make the 263:14 Samsung Pay UX nice in this time frame, 263:15 and the likely strategy of providing 263:16 18 percent more V-Bucks for Epic 263:17 payment purchases versus platform 263:18 payment purchases. 263:19 Tim.		Stolfus.52
 10194.1.9	263:20 Next e-mail: For your eyes 263:21 only.		
 10194.1.10	263:22 Next e-mail: Sweet Jesus. 263:23 Okay. 263:24 Q. And that last e-mail was 263:25 written by you, replying to Ed Zobrist, 264:01 264:02 forwarding you Tim Sweeney's e-mail, 264:03 right? 264:04 A. That's correct. 264:05 Q. Why did you say "sweet  Clear 264:06 Jesus"?		
	264:07 A. Because I knew what this 264:08 could ultimately lead to. 264:09 Q. Would you care to tell us 264:10 what could it ultimately lead to? 264:11 A. Everything that Tim just 264:12 described in his e-mail that I just 264:13 read out loud. 264:14 Q. Did you support it? 264:15 A. I just spent a significant 264:16 amount of my time and my energy helping 264:17 launch our game product on Google Play. 264:18 I had -- I had hoped that we could 264:19 pursue that option and see if we could		



**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	264:20 see success there.		
	264:21 And this e-mail lead to the		
	264:22 chance that that wouldn't be possible.		
265:21 - 266:04	<b>Stolfus, Hans 2022-02-11</b>	00:00:19	Stolfus.53
	265:21 Q. And do you think that it was		
	265:22 reasonable for Google on April 9th when		
	265:23 Mr. Zobrist said the build fully		
	265:24 complies with Google's policies and		
	265:25 restrictions, that Google would rely on		
	266:01		
	266:02 Mr. Zobrist's word on behalf of Epic?		
	266:03 Do you think that was		
	266:04 reasonable of Google?		
266:07 - 266:10	<b>Stolfus, Hans 2022-02-11</b>	00:00:12	Stolfus.54
	266:07 A. I think it's reasonable of		
	266:08 Google to accept Ed's word as Ed's		
	266:09 word, and accept that we were intending		
	266:10 to abide by Google's policies.		
274:14 - 274:15	<b>Stolfus, Hans 2022-02-11</b>	00:00:05	Stolfus.55
	274:14 Q. Did you feel comfortable with		
	274:15 what was being planned?		
274:18 - 274:24	<b>Stolfus, Hans 2022-02-11</b>	00:00:30	Stolfus.56
	274:18 A. I understood what Tim was		
	274:19 ultimately trying to accomplish. I did		
	274:20 not personally want to be involved with		
	274:21 Google and not be able to share all of		
	274:22 the communication going on, on our		
	274:23 side, that could potentially lead to a		
	274:24 violation of the policies.		
275:05 - 275:22	<b>Stolfus, Hans 2022-02-11</b>	00:00:48	Stolfus.57
	275:05 You were given a role to play		
	275:06 in the special project, right?		
	275:07 A. I was given a role to play in		
	275:08 this special project, yes.		
	275:09 Q. And what role were you given		
	275:10 in this special project?		
	275:11 A. Continue to manage the Google		
	275:12 relationship on the day-to-day, work		
	275:13 with Google to maintain our existing		




## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	275:14 relationship and our app on Google Play		
	275:15 Store.		
	275:16 Q. And when you were doing this		
	275:17 day-to-day maintaining of the Google		
	275:18 relationship, did you ever tell them		
	275:19 about the special project that was		
	275:20 going on in Epic?		
	275:21 A. No, I never informed Google		
	275:22 of what was going on at Epic.		
280:02 - 280:04	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.58
	280:02 MR. SIMMONS: All right. I'm		
	280:03 going to ask my colleague to put		
 10196.1	280:04 up a document marked 10196.		
281:02 - 281:04	<b>Stolfus, Hans 2022-02-11</b>	00:00:05	Stolfus.59
	281:02 Is that some sort of instant		
	281:03 messaging?		
	281:04 Why don't you tell me.		
281:07 - 281:07	<b>Stolfus, Hans 2022-02-11</b>	00:00:02	Stolfus.60
	281:07 A. It's a Slack thread, yes.		
282:05 - 282:08	<b>Stolfus, Hans 2022-02-11</b>	00:00:10	Stolfus.61
	282:05 Q. And the date of this exchange		
	282:06 is April 30, 2020; is that right?		
	282:07 A. It appears as though that's		
	282:08 the date of this thread, yes.		
282:09 - 282:11	<b>Stolfus, Hans 2022-02-11</b>	00:00:06	Stolfus.62
	282:09 Q. And you say -- can you read		
	282:10 into the record what you say beginning		
 10196.1.1	282:11 with "I mean"?		
282:12 - 283:12	<b>Stolfus, Hans 2022-02-11</b>	00:01:03	Stolfus.63
	282:12 A. I mean, everything we're		
	282:13 attempting is technically in violation		
	282:14 of Google's policy, right?		
	282:15 Q. And what does Mr. Zobrist say		
	282:16 in response?		
 10196.1.2	282:17 A. Yes, but that's not the		
	282:18 question. If Samsung matches the Epic		
	282:19 Pay price, does it work for their		
	282:20 economics and ours because the standard		
	282:21 price is now lower than before for		

## Stolfus



DESIGNATION	SOURCE	DURATION	ID
	282:22 Samsung.		
	282:23 Q. Okay. So Mr. Zobrist		
	282:24 knowledged that what Epic was trying to		
	282:25 do with Project Liberty was a violation		
	283:01		
	283:02 of Google's policy, correct?		
	283:03 A. Ed is responding to my		
	283:04 question and confirming, yes.		
	283:05 Q. So he believed it was a		
	283:06 violation, and you believed it was a		
	283:07 violation of Google's policies,		
	283:08 correct?		
	283:09 A. I believe what we were		
	283:10 discussing at that time would be in		
	283:11 violation of Google's policy, that is		
	283:12 correct.		
286:19 - 286:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:02	Stolfus.64
	286:19 MR. SIMMONS: We will mark		
286:20 - 286:21	<b>Stolfus, Hans 2022-02-11</b>	00:00:12	Stolfus.65
 10198.1	286:20 10198, a document with production		
	286:21 numbers EPIC_GOOGLE_00300992.		
287:24 - 287:25	<b>Stolfus, Hans 2022-02-11</b>	00:00:02	Stolfus.66
	287:24 Q. Have you seen this document		
	287:25 before?		
288:03 - 288:06	<b>Stolfus, Hans 2022-02-11</b>	00:00:06	Stolfus.67
	288:03 A. Yeah, I've seen this		
	288:04 document.		
	288:05 I also am very familiar with		
	288:06 the original e-mail.		
289:06 - 289:09	<b>Stolfus, Hans 2022-02-11</b>	00:00:08	Stolfus.68
	289:06 Q. And then the bottom e-mail is		
	289:07 from you to Matt Weissinger; is that		
	289:08 correct?		
	289:09 A. That is correct.		
290:08 - 290:20	<b>Stolfus, Hans 2022-02-11</b>	00:00:33	Stolfus.69
 10198.1.4	290:08 Q. Let's start with your e-mail		
	290:09 to him, "Hey Matt, Not entirely sure."		
	290:10 Can you read that paragraph		
	290:11 into the record, please.		

## Stolfus




DESIGNATION	SOURCE	DURATION	ID
	<p>290:12 A. Hey Matt, Not entirely sure</p> <p>290:13 how to raise this line of questioning</p> <p>290:14 internally, and frankly am not overly</p> <p>290:15 comfortable sharing it this the type of</p> <p>290:16 meeting environments we have</p> <p>290:17 established with Tim, but I'm sending</p> <p>290:18 it anyway as I believe it is very</p> <p>290:19 important to our success. Hope that's</p> <p>290:20 cool.</p>		
290:21 - 291:01	<b>Stolfus, Hans 2022-02-11</b>	00:00:12	Stolfus.70
 10198.1.3	<p>290:21 Q. What did you mean when you</p> <p>290:22 said to Mr. Weissinger that you are</p> <p>290:23 "not overly comfortable sharing it in</p> <p>290:24 the type of meeting environment we have</p> <p>290:25 established with Tim"?</p> <p>291:01</p>		
291:02 - 291:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:59	Stolfus.71
 Clear	<p>291:02 A. I believe through the course</p> <p>291:03 of this, that there was an expectation</p> <p>291:04 that everyone understood all of Tim's</p> <p>291:05 missions and purpose and what he had</p> <p>291:06 hoped to accomplish, and could fully</p> <p>291:07 understand his point of view.</p> <p>291:08 And I believe that in the</p> <p>291:09 meeting environments with him, if you</p> <p>291:10 brought up questions that there was the</p> <p>291:11 expectation you would already have the</p> <p>291:12 answer, that you wouldn't be received</p> <p>291:13 very well.</p> <p>291:14 So I wasn't comfortable</p> <p>291:15 asking questions, as I did in this</p> <p>291:16 e-mail, in that environment, because</p> <p>291:17 that would have lead to believe that I</p> <p>291:18 didn't fully understand what he was</p> <p>291:19 trying to accomplish.</p>		
301:05 - 302:24	<b>Stolfus, Hans 2022-02-11</b>	00:01:41	Stolfus.72
 10198.1.5	<p>301:05 Q. Would you read</p> <p>301:06 the second bullet, please, verbally</p> <p>301:07 into the record.</p> <p>301:08 A. Why do we believe 12 percent</p>		






## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	301:09 is fair, as we have published numerous		
	301:10 times and applied to our third-party		
	301:11 developer agreements on EGS? Are we		
	301:12 willing to further define why this		
	301:13 number works for publishers and anchor		
	301:14 our story in 12 percent?		
	301:15 Q. Can you read the third bullet		
 10198.1.6	301:16 into the record, please?		
	301:17 A. If 12 percent is "our"		
	301:18 number, why are we discussing -- sorry,		
	301:19 why are we discounting at 20 percent		
	301:20 and not 18 percent, if we're passing		
	301:21 the perceived savings onto the consumer		
	301:22 instead of the developer?		
	301:23 These types of subtle		
	301:24 inconsistencies cause people to		
	301:25 question a company's motives.		
	302:01		
	302:02 Q. Well, on this question you		
	302:03 are putting to Mr. Weissinger, "If		
	302:04 12 percent is our number, why are we		
	302:05 discounting it 20 percent and not		
	302:06 18 percent, if we're passing the		
	302:07 perceived saving onto the consumer		
	302:08 instead of the developer," what was		
	302:09 Mr. Weissinger's response to that		
	302:10 question?		
	302:11 A. Mr. Weissinger never		
	302:12 responded to me in that -- on these		
	302:13 points.		
	302:14 Q. Well, he said at the top,		
	302:15 Mr. Weissinger -- read Mr. Weissinger's		
 10198.1.7	302:16 first two sentences at the top.		
	302:17 A. Hey. All good points, and		
	302:18 some of it is probably best discussed		
	302:19 on a call rather than write a long		
	302:20 e-mail response.		
	302:21 Q. Did you do a call with		
	302:22 Mr. Weissinger?		
	302:23 A. I never had a call with		
	302:24 Mr. Weissinger.		






## Stolfus

DESIGNATION	SOURCE	DURATION	ID
303:16 - 303:16	<b>Stolfus, Hans 2022-02-11</b>	00:00:01	Stolfus.73
 10171.1	303:16 We're putting up 10171		
303:17 - 303:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:02	Stolfus.74
	303:17 a document that's previously been marked		
303:18 - 303:20	<b>Stolfus, Hans 2022-02-11</b>	00:00:09	Stolfus.75
	303:18 which bears production		
	303:19 numbers EPIC_GOOGLE_03614127		
	303:20 through 131.		
304:17 - 304:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:02	Stolfus.76
	304:17 Q. This is a		
304:18 - 304:21	<b>Stolfus, Hans 2022-02-11</b>	00:00:09	Stolfus.77
	304:18 Slack thread between you and Alec Shobin on		
	304:19 April 28, 2020; is that right?		
	304:20 A. Appears as though that's		
	304:21 correct.		
311:16 - 312:23	<b>Stolfus, Hans 2022-02-11</b>	00:01:41	Stolfus.78
	311:16 Q. Please read what you say		
	311:17 below "It's crazy."		
	311:18 What was response to "it's		
 10171.2.3	311:19 crazy"?		
	311:20 A. I just told him I'm not		
	311:21 really comfortable being the face of		
	311:22 this on Android with zero leadership		
	311:23 support.		
	311:24 Q. And what did you mean by		
 Clear	311:25 "face of this"? What's the "this"?		
	312:01		
	312:02 A. This is the potential for		
	312:03 what Project Liberty ended up becoming.		
	312:04 Q. And what are you referring to		
	312:05 when you say "with zero leadership		
	312:06 support"?		
	312:07 A. At this time, I didn't feel		
	312:08 like anyone had approached me		
	312:09 personally and said this is a potential		
	312:10 path that we're really considering.		
	312:11 It wasn't just speculation or		
	312:12 meetings to determine what could be,		
	312:13 what couldn't be. No one came to me		






## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	312:14 from a leadership perspective and said, 312:15 We know we just did this. We know we 312:16 had you establish a relationship. This 312:17 is a potential path we're going down. 312:18 And this is ultimately what the outcome 312:19 could be. 312:20 And, therefore, I felt like I 312:21 didn't have support, internally, as to 312:22 what I was doing, or what I could be 312:23 potentially involved in.		
314:03 - 314:09	<b>Stolfus, Hans 2022-02-11</b>	00:00:15	Stolfus.79
 Clear	314:03 Q. But, you know, put another 314:04 way, you put all this time and effort 314:05 into the -- getting Fortnite launched 314:06 on Play. 314:07 And then your employer, Epic, 314:08 sawed off the plank behind you. Isn't 314:09 that a fact?		
314:12 - 314:15	<b>Stolfus, Hans 2022-02-11</b>	00:00:09	Stolfus.80
	314:12 A. I would have liked to have 314:13 more support during this, knowing what 314:14 we could potentially happen. That's 314:15 the answer.		
316:08 - 317:10	<b>Stolfus, Hans 2022-02-11</b>	00:01:09	Stolfus.81
 10171.3.1	316:08 Q. Then you respond with, No one 316:09 will join any of these calls or support 316:10 anything Android. 316:11 Did I read that correctly? 316:12 A. You read that correctly. 316:13 Q. What calls were you referring 316:14 to? 316:15 A. I was referring to all of or 316:16 partnership calls that existed prior 316:17 and during our launch on Google Play. 316:18 So we had existing partners that I 316:19 needed to address. I needed to 316:20 maintain relationships. 316:21 Wasn't like we just forgave 316:22 all of our partnerships once we 316:23 launched on Google Play. There were		
 Clear			



## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	316:24 numerous meetings and calls I needed to		
	316:25 maintain to maintain relationships.		
	317:01		
	317:02 Q. But no one joined calls with		
	317:03 you from Epic; is that right?		
	317:04 A. That's correct.		
 10171.3.2	317:05 Q. And Alec Shobin says, Damn.		
	317:06 Do you see that?		
	317:07 A. I do.		
 10171.3.3	317:08 Q. And what did you say in		
	317:09 response to him?		
	317:10 A. I said, It's absurd.		
317:11 - 317:12	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.82
 10171.4	317:11 Q. We could turn over to the		
	317:12 next page, please.		
317:13 - 317:13	<b>Stolfus, Hans 2022-02-11</b>	00:00:01	Stolfus.83
	317:13 A. Okay.		
317:14 - 317:21	<b>Stolfus, Hans 2022-02-11</b>	00:00:21	Stolfus.84
	317:14 Q. Can you read what Mr. Shobin		
	317:15 says, beginning with the words, Or		
 10171.4.1	317:16 accept?		
	317:17 A. Or accept that mobile isn't a		
	317:18 growth opportunity, and instead just a		
	317:19 tool to realize Tim's agenda.		
	317:20 Q. What did you understand		
	317:21 Mr. Shobin to be referring to?		
317:22 - 318:07	<b>Stolfus, Hans 2022-02-11</b>	00:00:31	Stolfus.85
 Clear	317:22 A. I believe Alec is referring		
	317:23 to the broader conversation around		
	317:24 equal payment opportunities on mobile		
	317:25 changing the industry, et cetera.		
	318:01		
	318:02 Q. But why would he say: Or		
	318:03 accept that mobile isn't a growth		
	318:04 opportunity?		
	318:05 What did you understand		
	318:06 Mr. Shobin to be conveying with that		
	318:07 language?		
318:10 - 318:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:16	Stolfus.86



## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	318:10 A. I can't speak for Alec, but I 318:11 can say that I understood this message 318:12 to be if we were heavily invested in 318:13 the growth opportunity that is Android, 318:14 we would provide more support.		Stolfus.86
319:15 - 319:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:08	Stolfus.87
 10171.4.2	319:15 Q. What was your 319:16 understanding of what Mr. Shobin was 319:17 referring to when he said: And we're 319:18 like the mob enforcers trying to make 319:19 it happen?		
319:20 - 319:22	<b>Stolfus, Hans 2022-02-11</b>	00:00:03	Stolfus.88
	319:20 A. I'm sorry, where is that 319:21 again? 319:22 Q. Middle of the page.		
319:23 - 320:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:52	Stolfus.89
 Clear	319:23 At 2:15:32 p.m. 319:24 A. I see it now. Sorry. 319:25 I believe he is referring to 320:01 320:02 the fact that he is the face of the 320:03 Apple relationship and I'm the face of 320:04 the Google relationship. And that if 320:05 there is a larger agenda at hand that 320:06 could potentially move forward, that we 320:07 are the people that would be enforcing 320:08 the agenda. 320:09 Q. And what do you say in 320:10 response to Mr. Shobin saying: And 320:11 we're like the mob enforcers trying to 320:12 make it happen?		
 10171.4.3	320:13 A. I said, "That's what I asked: 320:14 'Are we just pawns in Tim's game?'"		
 10171.4.4	320:15 Q. And what do you say -- go on 320:16 to say? 320:17 A. "Verbatim."		
323:13 - 323:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:05	Stolfus.90
 Clear	323:13 Did you feel deceived by your 323:14 own employer?		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
323:17 - 324:06	<b>Stolfus, Hans 2022-02-11</b> 323:17 A. I felt like I was not 323:18 informed as to what our endgame or 323:19 potential long-term intent was when I 323:20 was asked to establish the 323:21 relationship. 323:22 Q. And that's why you were just 323:23 a pawn. 323:24 A. That's why I asked the 323:25 question to "Are we just pawns in Tim's 324:01 324:02 game?" 324:03 Q. Did you feel like a pawn? 324:04 A. I felt like I wasn't an 324:05 employee who was informed in what we 324:06 were doing.	00:00:38	Stolfus.91
325:20 - 326:06	<b>Stolfus, Hans 2022-02-11</b>  10171.1 325:20 If I could just direct your 325:21 attention, please, to the -- really the 325:22 second-to-last entry on 130.  10171.4.5 325:23 Mr. Shobin says, "I talked to 325:24 Nate a bit more about this. He said 325:25 the single most important thing to Tim 326:01 326:02 is 'destroying the platform Tax' that 326:03 Google and Apple charge. So... yep, we 326:04 are, LOL." 326:05 Did I read that correctly? 326:06 A. You read that correctly.	00:00:38	Stolfus.92
345:07 - 345:07	<b>Stolfus, Hans 2022-02-11</b> 345:07 MR. SIMMONS: We're going to	00:00:01	Stolfus.93
345:08 - 345:10	<b>Stolfus, Hans 2022-02-11</b> 345:08 mark as 10200, a document bearing 345:09 production numbers 345:10 EPIC_GOOGLE_00089981 through 983.	00:00:12	Stolfus.94
346:05 - 346:07	<b>Stolfus, Hans 2022-02-11</b> 346:05 And what is -- can you 346:06 summarize what this whole exchange is 346:07 about?	00:00:06	Stolfus.95

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
346:10 - 346:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:26	Stolfus.96
	346:10 A. This exchange is about the		
	346:11 current update from OnePlus regarding		
	346:12 an install solution that we were		
	346:13 working with them on to not only launch		
	346:14 across all of their device profile --		
	346:15 portfolio, but also introduce a new		
	346:16 silent install flow, or one-touch		
	346:17 install flow, that would allow easier		
	346:18 access into games available in the Epic		
 Clear	346:19 Games App.		
346:20 - 347:21	<b>Stolfus, Hans 2022-02-11</b>	00:01:09	Stolfus.97
 Clear	346:20 Q. And OnePlus, correct me if		
	346:21 I'm wrong, was willing to offer a		
	346:22 Fortnite preload of the one-touch;		
	346:23 isn't that right?		
	346:24 A. OnePlus did come back and		
	346:25 offer the opportunity to only work with		
	347:01		
	347:02 Fortnite on this proposal.		
	347:03 Q. And the proposal being, fill		
	347:04 in the blank. What's the proposal?		
	347:05 A. Proposal of a one-touch		
	347:06 install available on all OnePlus		
	347:07 devices, be it either out-of-the-box		
	347:08 preinstall or over-the-air software		
	347:09 update.		
	347:10 Q. What was Mr. Sweeney's		
	347:11 response?		
	347:12 A. Mr. Sweeney's response was:		
	347:13 That's insane. We should reject		
	347:14 the Fortnite-only proposal.		
	347:15 Q. So he rejected what OnePlus		
	347:16 was offering in terms of a		
	347:17 preinstallation; is that right?		
	347:18 A. He rejected the Fortnite-only		
	347:19 preinstallation proposal because the		
	347:20 larger goal was to have the Epic Games		
	347:21 App established as the preinstall.		
351:08 - 352:08	<b>Stolfus, Hans 2022-02-11</b>	00:01:00	Stolfus.98

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	<p>351:08 Q. Okay. Did Epic develop a way</p> <p>351:09 to deliver its games on Android mobile</p> <p>351:10 devices without going through the</p> <p>351:11 Google Play Store?</p> <p>351:12 A. We launched a sideloaded APK</p> <p>351:13 at our website and made it available to</p> <p>351:14 players in August of 2018.</p> <p>351:15 Q. Okay. And is that generally</p> <p>351:16 what you mean when you are talking</p> <p>351:17 about the Epic Games App?</p> <p>351:18 A. Originally, it was called the</p> <p>351:19 Fortnite installer. It was simply a</p> <p>351:20 game launcher for the game of Fortnite.</p> <p>351:21 It was a small app stub that</p> <p>351:22 effectively allowed patches and updates</p> <p>351:23 to the build to exist on a device. You</p> <p>351:24 needed both the Fortnite installer and</p> <p>351:25 Fortnite to launch Fortnite. That had</p> <p>352:01</p> <p>352:02 since evolved into what's now known as</p> <p>352:03 the Epic Games App.</p> <p>352:04 Epic Games App is simply a</p> <p>352:05 game launcher for multiple free-to-play</p> <p>352:06 games. It currently includes Fortnite,</p> <p>352:07 Battle Breakers, and a game called</p> <p>352:08 Rocket League Sideswipe.</p>		Stolfus.98
352:10 - 353:19	<p><b>Stolfus, Hans 2022-02-11</b></p> <p>352:10 Why did Epic develop the Epic</p> <p>352:11 Games App in your understanding?</p> <p>352:12 A. The reason why we developed</p> <p>352:13 the Epic Games App is ultimately to</p> <p>352:14 control our own destiny in terms of</p> <p>352:15 releasing and launching our own</p> <p>352:16 free-to-play titles on Android.</p> <p>352:17 So, effectively, by launching</p> <p>352:18 the Epic Games App, we control the</p> <p>352:19 end-to-end, basically,</p> <p>352:20 publisher-to-consumer experience for</p> <p>352:21 the game.</p> <p>352:22 So as a player actually</p>	00:01:16	Stolfus.99



**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	352:23 downloads, gets access to the game		
	352:24 title or the actual launcher of the		
	352:25 game title, they actually are able to		
	353:01		
	353:02 experience everything that's meant to		
	353:03 be experienced between both Epic and		
	353:04 the consumer.		
	353:05 Q. Did Epic contemplate		
	353:06 developing an app store that would		
	353:07 distribute apps from developers other		
	353:08 than Epic?		
	353:09 A. Epic has certainly discussed		
	353:10 this and talked about it long-term,		
	353:11 like what is the strategy.		
	353:12 Could the Epic Games App		
	353:13 evolve into a full-blown store? Could		
	353:14 it become a third-party developer		
	353:15 store? Could it be an iteration of the		
	353:16 Epic Game Store on PC?		
	353:17 Currently, that doesn't		
	353:18 exist. But it has been a conversation		
	353:19 internally, yes.		
355:22 - 356:15	<b>Stolfus, Hans 2022-02-11</b>	00:00:42	Stolfus.100
	355:22 Q. So as of early 2020, if a		
	355:23 user wanted to install a game from Epic		
	355:24 on their Android phone, such as		
	355:25 Fortnite, would that user first install		
	356:01		
	356:02 the Epic Games App for the Epic		
	356:03 website?		
	356:04 A. So a player would go to		
	356:05 epicgames.com/fortnite, for instance,		
	356:06 on their Android phone. And they would		
	356:07 go through a process of installing the		
	356:08 Epic Games App.		
	356:09 Once they have the Epic Games		
	356:10 App, they would have the choice to		
	356:11 download Fortnite, currently Battle		
	356:12 Breakers or Sideswipe. If they wanted		
	356:13 Fortnite, they would then install		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	356:14 directly the Fortnite game client from		
	356:15 the Epic Games App.		
356:16 - 358:08	<b>Stolfus, Hans 2022-02-11</b>	00:01:52	Stolfus.101
	356:16 Q. Nevertheless, in April 2020,		
	356:17 Epic decided to make Fortnite available		
	356:18 on Google Play Store, which is Google's		
	356:19 app store, correct?		
	356:20 A. That is correct.		
	356:21 Q. So in your understanding, did		
	356:22 Epic feel that the existing		
	356:23 distribution channels it had access to		
	356:24 at that time were not sufficient?		
	356:25 A. That's what we believed, yes.		
	357:01		
	357:02 Q. And why was that?		
	357:03 A. There were many challenges in		
	357:04 front of our consumers to getting		
	357:05 access to our game. Whether that be		
	357:06 discoverability, the ability to		
	357:07 actually find an APK, and in addition		
	357:08 to the user flow or the challenges a		
	357:09 consumer faces during the user flow,		
	357:10 which exists with sideloading.		
	357:11 Q. And did Google impose		
	357:12 measures that added friction to the		
	357:13 sideloading process?		
	357:14 A. I believe you already asked		
	357:15 that, but I can answer again.		
	357:16 There are certain prompts		
	357:17 that exist at both the OS level and an		
	357:18 app install level that are prompted by		
	357:19 Google. It just require the user to		
	357:20 agree to certain terms. And many of		
	357:21 those terms have led to users		
	357:22 abandoning the install flow.		
	357:23 Just more steps to ultimately		
	357:24 get there.		
	357:25 Q. So some of these requests to		
	358:01		
	358:02 agree to terms are delivered in the		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	358:03 form of warning messages; is that fair?		
	358:04 A. Yes, that's fair.		
	358:05 Q. Okay. In your opinion, were		
	358:06 these warning messages communicated to		
	358:07 users in a way that accurately		
	358:08 reflected real risks that users faced?		
358:11 - 358:12	<b>Stolfus, Hans 2022-02-11</b>	00:00:04	Stolfus.102
	358:11 A. I do not believe that they		
	358:12 were accurate, no.		
358:16 - 358:19	<b>Stolfus, Hans 2022-02-11</b>	00:00:09	Stolfus.103
	358:16 In your understanding, did		
	358:17 the number of steps involved in		
	358:18 sideloading deter users from		
	358:19 sideloading Fortnite?		
358:22 - 359:03	<b>Stolfus, Hans 2022-02-11</b>	00:00:13	Stolfus.104
	358:22 A. Yeah. I believe the easier		
	358:23 you could make an install flow, the		
	358:24 more users you are going to acquire.		
	358:25 And the steps required to sideload are		
	359:01		
	359:02 prohibitive to getting any sort of real		
	359:03 scale.		
360:10 - 360:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:09	Stolfus.105
	360:10 Q. Were users who downloaded		
	360:11 from the Google Play Store, in your		
	360:12 understanding, presented with similar		
	360:13 warnings?		
	360:14 A. No, they're not.		
360:17 - 364:15	<b>Stolfus, Hans 2022-02-11</b>	00:04:08	Stolfus.106
	360:17 To address this difficulty		
	360:18 related to sideloading apps, did Epic		
	360:19 pursue deals to preinstall either		
	360:20 Fortnite or the Epic Games App on		
	360:21 devices from certain Android device		
	360:22 manufacturers?		
	360:23 A. Yes, we did.		
	360:24 Q. So what did Epic get out of		
	360:25 those preinstallations?		
	361:01		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
361:02	A. It's twofold.		
361:03	We were looking for		
361:04	distribution assistance from a		
361:05	preinstallation standpoint. We wanted		
361:06	to make our app available to more		
361:07	players so they didn't need to go to		
361:08	our website to find our app.		
361:09	And in exchange, we also		
361:10	received co-marketing. So the OEM or		
361:11	the manufacturer, as you say, would		
361:12	actually market Fortnite, inform		
361:13	players that they could go and get		
361:14	Fortnite on that said device.		
361:15	It didn't -- only with one --		
361:16	or two -- two OEMs that were able to		
361:17	produce a solution that would improve		
361:18	the install flow. But everyone else		
361:19	was just simply placing the APK on a		
361:20	home screen or a plus-one screen of an		
361:21	Android phone and allowing you to click		
361:22	on it, but still forcing you to go		
361:23	through all of the steps to get access		
361:24	to the app and the game.		
361:25	Q. So is it fair to say from		
362:01			
362:02	your answer, then, that part of what		
362:03	Epic hoped to achieve with the		
362:04	preinstallation deals was a smoother		
362:05	installation flow?		
362:06	A. The end goal we were		
362:07	ultimately trying to achieve with		
362:08	OnePlus was a preinstallation flow for		
362:09	the Epic Games App that would allow		
362:10	OEMs to not only preinstall the Epic		
362:11	Games App with an optimized one-touch		
362:12	install flow, but also make that same		
362:13	install flow available over the air on		
362:14	all legacy devices as well.		
362:15	So not just new phones but		
362:16	older phones, so that every user on a		
362:17	phone could have access to the Epic		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
362:18	Games App and the games therein.		
362:19	Q. Just to be clear, in most		
362:20	circumstances, the preinstallation		
362:21	deals did not reduce the number of		
362:22	steps required to install a game from		
362:23	the Epic Games App?		
362:24	A. That's correct. Our deals,		
362:25	it requires a significant engineering		
363:01			
363:02	resource to enable and optimize install		
363:03	flow.		
363:04	We were only able to move		
363:05	down a path with OnePlus, trying to		
363:06	engineer something that would be better		
363:07	for players. We were not able to		
363:08	accomplish that with our other OEM		
363:09	partners, except for with Samsung.		
363:10	Q. Was negotiating these		
363:11	preinstallation deals time consuming?		
363:12	A. Very. Significant time was		
363:13	involved in every negotiation and		
363:14	relationship.		
363:15	Q. So it's fair to say that it		
363:16	cost Epic money to sustain this effort?		
363:17	A. Not only my salary but others		
363:18	as well, yes.		
363:19	Q. Okay. And so in your view,		
363:20	were preinstallation deals an adequate		
363:21	way for Epic to address the barriers to		
363:22	distributing Fortnite and the Epic		
363:23	Games App outside of Google Play?		
363:24	A. Our hope and goal with the		
363:25	entire project was we would be able to		
364:01			
364:02	work with an OEM, establish a clear		
364:03	path to reach all of their users, both		
364:04	new and legacy devices, both unlocked		
364:05	and locked phones, and deliver an		
364:06	experience that players wouldn't be		
364:07	scared of and be able to download the		
364:08	app cleanly.		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	364:09 Get access to the games and 364:10 have Epic have a direct connection with 364:11 the end consumer. 364:12 Q. So did Google do anything 364:13 that made it difficult for Epic to 364:14 enter into preinstallation deals with 364:15 equipment manufacturers?		
364:18 - 364:25	<b>Stolfus, Hans 2022-02-11</b> 364:18 A. It's our understanding from 364:19 OEMs and communication we received from 364:20 OEM that Google did not want us to 364:21 proceed with an installation user flow 364:22 that went around the steps that they 364:23 had initiated at the sideload level. 364:24 Q. Okay. So were Google's 364:25 actions effective?	00:00:26	Stolfus.107
365:04 - 365:06	<b>Stolfus, Hans 2022-02-11</b> 365:04 A. Yeah. They were effective. 365:05 We weren't able to proceed with our 365:06 desired outcome.	00:00:05	Stolfus.108
365:07 - 365:17	<b>Stolfus, Hans 2022-02-11</b> 365:07 Q. Did Google impose 365:08 restrictions that prevented or 365:09 interfered with the preloaded Epic 365:10 Games App on OnePlus? 365:11 A. It's our understanding from 365:12 our communication with OnePlus that 365:13 Google ultimately ended up rejecting 365:14 our proposal to preinstall and install 365:15 over the air the one-touch install 365:16 solution that we developed with 365:17 OnePlus.	00:00:27	Stolfus.109
366:02 - 366:15	<b>Stolfus, Hans 2022-02-11</b> 366:02 Q. So we've covered OnePlus. 366:03 Did you have any involvement 366:04 in discussing the availability of Epic 366:05 apps on Android devices outside of 366:06 Google Play Store with LG? 366:07 A. Yeah. I communicated with	00:00:37	Stolfus.110

## Stolfus



DESIGNATION	SOURCE	DURATION	ID
	366:08 LG. We had an additional team member		
	366:09 who was fluent in Korean; also speak		
	366:10 directly with them because their		
	366:11 headquarters are in Korea, and their		
	366:12 team is primarily fluent in Korean.		
	366:13 Q. And did you have awareness of		
	366:14 Google policies that interfered with		
	366:15 Epic's relationship with LG?		
366:18 - 366:24	<b>Stolfus, Hans 2022-02-11</b>	00:00:16	Stolfus.111
	366:18 A. LG informed us that they		
	366:19 could no longer preinstall the app		
	366:20 known as the Epic Games App because it		
	366:21 contained more than one app. They		
	366:22 requested that we only preinstall the		
	366:23 Fortnite installer because it was		
	366:24 singular app.		
374:24 - 375:12	<b>Stolfus, Hans 2022-02-11</b>	00:00:32	Stolfus.112
	374:24 Q. Were -- in a typical		
	374:25 preinstallation deal, would you be		
	375:01		
	375:02 covering the legacy devices that were		
	375:03 already in consumers' hands?		
	375:04 A. No. That was our biggest		
	375:05 problem that we noticed, or at least a		
	375:06 number one problem I noticed when I		
	375:07 arrived at Epic, is that ultimately		
	375:08 reaching the -- only the brand-new		
	375:09 devices was going to limit our		
	375:10 potential distribution.		
	375:11 We realized early on that		
	375:12 majority of our players on Android were		
375:16 - 376:11	<b>Stolfus, Hans 2022-02-11</b>	00:00:43	Stolfus.113
	375:16 THE WITNESS: -- were playing		
	375:17 on N-1 and N-2 devices, which		
	375:18 simply reflects the number of		
	375:19 years the phone has been in the		
	375:20 market.		
	375:21 So, effectively, we knew if		
	375:22 we only were able to do deals with		
	375:23 OEMs on new devices because those		

**Stolfus**




DESIGNATION	SOURCE	DURATION	ID
	375:24 are the devices OEMs want to sell, 375:25 we were only going to have a 376:01 376:02 limited reach in terms of the 376:03 number of preinstallation we could 376:04 have of our app. 376:05 So the intent and the goal 376:06 was to find a way to reach what we 376:07 called "legacy devices," which are 376:08 devices that exist in the market, 376:09 because that's ultimately where 376:10 our players are. And if a player 376:11 has the ability -- sorry.		
376:15 - 377:07	<b>Stolfus, Hans 2022-02-11</b> 376:15 A. If a player has a phone and 376:16 it's been on the market for years, and 376:17 they -- let's call it a hand-me-down 376:18 phone from a brother, or sister, or a 376:19 parent, they may not know that an app 376:20 exists because they may go to the 376:21 storefront, such as Google Play, not 376:22 see the app there and think it doesn't 376:23 exist. 376:24 So the idea was how could we 376:25 reach these potential players and 377:01 377:02 inform them that our app does exist and 377:03 they can download it securely and 377:04 safely. And that's why we were looking 377:05 for a solution that would allow us to 377:06 reach not only new phones but also 377:07 legacy phones.	00:00:35	Stolfus.114
379:25 - 379:25	<b>Stolfus, Hans 2022-02-11</b> 812.1 379:25 Q. Okay. Is 812, this	00:00:02	Stolfus.115
380:01 - 380:25	<b>Stolfus, Hans 2022-02-11</b> 380:01 812.1.4 380:02 document here, an e-mail exchange from 380:03 March 2020 among you, Trevor Stone at 380:04 Epic Games, and somebody named Eric 380:05 Gass?	00:00:55	Stolfus.116







## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	380:06 A. That's correct.		
	380:07 Q. And who is Mr. Gass?		
	380:08 A. I believe Eric's title is --		
	380:09 it's either director of partnerships or		
	380:10 director of BD at OnePlus. He is our		
	380:11 point of contact for the relationship		
	380:12 between OnePlus and Epic.		
	380:13 Q. And was this an e-mail		
	380:14 exchange in which you participated in		
	380:15 the ordinary course of your duties at		
	380:16 Epic?		
	380:17 A. This is, yes. That's		
	380:18 correct.		
 812.4	380:19 Q. Okay. And let me direct you		
	380:20 now to the very first e-mail		
	380:21 chronologically in this chain, which		
	380:22 appears on the very last page from		
	380:23 Mr. Gass on March 25.		
	380:24 Do you see that?		
 Clear	380:25 A. I do.		
381:06 - 383:08	<b>Stolfus, Hans 2022-02-11</b>	00:02:08	Stolfus.117
	381:06 Q. Can you tell me, if you		
	381:07 remember, what your reaction was upon		
	381:08 receiving this e-mail from Mr. Gass?		
	381:09 A. My reaction to receiving this		
	381:10 e-mail was -- could only be described		
	381:11 as utter disappointment.		
	381:12 Q. Can you tell me why?		
	381:13 A. We'd been working hand in		
	381:14 hand to produce something that I		
	381:15 believed could be the solution we were		
	381:16 looking for that would allow us to		
	381:17 achieve our end goal, which was to make		
	381:18 our app available to all device owners		
	381:19 for OnePlus and deliver an install		
	381:20 solution that would deliver the package		
	381:21 for the Epic Games App in a way that		
	381:22 wasn't prohibitive.		
	381:23 And for me, and all the work		
	381:24 that had gone into it, it was very		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	381:25 disappointing because we were not going		
	382:01		
	382:02 to be able to realize our collected		
	382:03 vision and mission. And that,		
	382:04 ultimately, this was what we deemed our		
	382:05 kind of final straw.		
 812.4.1	382:06 Q. And in this e-mail, Mr. Gass		
	382:07 writes, in the second paragraph:		
	382:08 Apparently at the final stage-gate of		
	382:09 software testing before MP release.		
	382:10 Google is blocking our Game Space		
	382:11 silent install solution bypass of the		
	382:12 step trusting unknown sources.		
	382:13 Do you see that?		
	382:14 A. I do.		
 812.4.2	382:15 Q. And he says: We're doing		
	382:16 everything possible to try to solve		
	382:17 this, but currently do not foresee a		
	382:18 quick solution to solving Google.		
	382:19 Do you see that?		
	382:20 A. I do.		
	382:21 Q. And what did you understand,		
	382:22 what do you understand, Mr. Gass to be		
	382:23 saying there about the position that		
 Clear	382:24 Google had taken?		
	382:25 A. That we were not going to be		
	383:01		
	383:02 able to proceed with our planned		
	383:03 release of the Epic Games, both		
	383:04 preinstall and over the air with this		
	383:05 silent one-touch install solution.		
	383:06 Q. Because Google said no?		
	383:07 A. Because Google rejected the		
	383:08 proposal.		
383:11 - 383:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:11	Stolfus.118
	383:11 I am going to ask Ms. Kloss		
	383:12 to put up a document that she will		
	383:13 recognize as 213 but that we will mark as		
	383:14 mark as Exhibit 813.		
383:15 - 383:18	<b>Stolfus, Hans 2022-02-11</b>	00:00:06	Stolfus.119



## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	383:15 (E-mail Bates-stamped		Stolfus.119
	383:16 EPIC_GOOGLE_00306828, was marked		
	383:17 Exhibit 813, for		
	383:18 identification, as of this date.)		
384:03 - 384:03	<b>Stolfus, Hans 2022-02-11</b>	00:00:01	Stolfus.120
 813.1	384:03 Q. So 813 is an e-mail		
384:04 - 384:08	<b>Stolfus, Hans 2022-02-11</b>	00:00:16	Stolfus.121
 812.1.4	384:04 exchange among you and Mr. Stone at		
	384:05 Epic Games, as well as Mr. Gass, and		
	384:06 someone named Kyle Kiang at OnePlus, is		
	384:07 that right, from March of 2020?		
	384:08 A. That is correct.		
384:23 - 386:14	<b>Stolfus, Hans 2022-02-11</b>	00:01:58	Stolfus.122
 813.1.2	384:23 In this e-mail, in the third		
	384:24 paragraph, you ask: In the meantime,		
	384:25 is there any additional information you		
	385:01		
	385:02 can provide regarding why Google is		
	385:03 preventing OnePlus from honoring our		
	385:04 original intent of preinstalling the		
	385:05 Epic Games App on the OnePlus devices		
	385:06 within Game Space?		
	385:07 Do you see that question?		
	385:08 A. I do.		
 Clear	385:09 Q. Did you get an answer from		
	385:10 Mr. Gass as to why Google was		
	385:11 preventing OnePlus from proceeding with		
	385:12 this agreement?		
	385:13 A. His answer above outlines the		
	385:14 fact that it was relative to		
	385:15 installation of the Epic Games App		
	385:16 versus Fortnite.		
	385:17 Q. And do you have an		
	385:18 understanding, from your communications		
	385:19 with Mr. Gass, why Google was blocking		
	385:20 the Epic Games App?		
	385:21 A. They didn't want the ability		
	385:22 for a store ultimately to be		
	385:23 preinstalled and bypass the		
	385:24 installation restrictions that exist		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	385:25 at -- if you sideload an app. 386:01 386:02 Q. Did Mr. Gass tell you that 386:03 Google had said that they viewed this 386:04 to be a threat to the Play Store? 386:05 A. Mr. Gass referenced it 386:06 multiple times that, ultimately, it 386:07 came down to the Epic Games App housing 386:08 more than one application. And that it 386:09 ultimately could turn into a store, and 386:10 that it would compete with the Google 386:11 Play Store. 386:12 MR. BORNSTEIN: Okay. Let me 386:13 ask you to take a look at what I 386:14 think will be marked as 814.		
386:15 - 386:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:04	Stolfus.123
 814.1	386:15 (E-mail Bates-stamped 386:16 EPIC_GOOGLE_02089134, was marked 386:17 Exhibit 814, for		
386:25 - 387:10	<b>Stolfus, Hans 2022-02-11</b>	00:00:23	Stolfus.124
 814.1.2	386:25 So this is an e-mail exchange 387:01 387:02 between you and Mr. Gass at OnePlus in 387:03 June of 2020, is that right, at 387:04 Exhibit 814? 387:05 A. That's correct. 387:06 Q. And is Exhibit 814 a 387:07 communication that you had with 387:08 Mr. Gass in the ordinary course of your 387:09 responsibilities at Epic? 387:10 A. That's correct.		
387:22 - 388:15	<b>Stolfus, Hans 2022-02-11</b>	00:00:55	Stolfus.125
 Clear	387:22 Q. So before we get into the 387:23 document, let me just ask the question 387:24 whether you at Epic had negotiated a 387:25 deal with LG about preinstallation of 388:01 388:02 the Fortnite installer. 388:03 Was there such an agreement? 388:04 A. There is, yeah, that's		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	388:05 correct.		
	388:06 Q. Okay. And did you also reach		
	388:07 agreement with LG about installing the		
	388:08 Epic Games App?		
	388:09 A. It's listed in the agreement		
	388:10 with LG that the Fortnite installer		
	388:11 could eventually become the Epic Games		
	388:12 App.		
	388:13 Q. And did that actually happen		
	388:14 on LG devices? Was the Epic Games App		
	388:15 actually preinstalled?		
388:21 - 389:18	<b>Stolfus, Hans 2022-02-11</b>	00:00:58	Stolfus.126
	388:21 THE WITNESS: We never moved		
	388:22 forward with the preinstallation		
	388:23 of the Epic Games App. We were		
	388:24 informed by LG that they couldn't		
	388:25 move forward with the		
	389:01		
	389:02 preinstallation of an app that		
	389:03 included other apps. They could		
	389:04 only preinstall the Fortnite		
	389:05 installer.		
	389:06 Q. Did LG tell you why they		
	389:07 could not move forward with the Epic		
	389:08 Games App?		
	389:09 A. They let us know that Google		
	389:10 was preventing them from moving forward		
	389:11 with an installation of an app that		
	389:12 included other apps.		
 815.1	389:13 Q. All right. Now Exhibit 815,		
	389:14 which you should have on the screen, is		
	389:15 an e-mail exchange in April of 2020		
	389:16 among you, Mr. Shin at Epic Games, and		
	389:17 someone named Changguk Yang at LGE; is		
 Clear	389:18 that correct?		
394:09 - 397:10	<b>Stolfus, Hans 2022-02-11</b>	00:02:47	Stolfus.127
	394:09 There was some questions from		
	394:10 Google's counsel about whether you felt		
	394:11 that you were getting adequate support		
	394:12 internally at Epic on efforts to get		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
394:13	Fortnite and the Epic Games App onto		
394:14	the Android platform.		
394:15	Do you recall that topic		
394:16	generally?		
394:17	A. I do.		
394:18	Q. Okay. And in response to one		
394:19	of those questions, you said the		
394:20	following thing. Again I will read		
394:21	from the rough transcript:		
394:22	I felt twofold. I felt that		
394:23	there were opportunities to do more		
394:24	internally to support the efforts on		
394:25	Android. I also felt hamstrung in the		
395:01			
395:02	point that no matter what we did, no		
395:03	matter what effort we put towards it,		
395:04	we weren't able to accomplish our goals		
395:05	because players simply couldn't find		
395:06	our app, nor, when they got to it, did		
395:07	they want to install it.		
395:08	Do you recall generally		
395:09	giving that testimony?		
395:10	A. I do.		
395:11	Q. Can you tell me what you		
395:12	meant when you said "players simply		
395:13	couldn't find the app, and when they		
395:14	got to it, they didn't want to install		
395:15	it"?		
395:16	A. I was simply referring to the		
395:17	fact that we were up a couple		
395:18	against -- up against a couple of		
395:19	serious challenges in the fact that a		
395:20	majority of players, majority of		
395:21	Android owners, if they're looking for		
395:22	a particular app or game, they're going		
395:23	to go to the Google Play Store. They		
395:24	are going to go to Google search. They		
395:25	are going to use the tools that are		
396:01			
396:02	available to them to try and find what		
396:03	they're looking for.		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	<p>396:04 And because they're</p> <p>396:05 effectively going through Google's</p> <p>396:06 ecosystem to find the app you are</p> <p>396:07 looking for, you are up against an</p> <p>396:08 immediate challenge that you have to</p> <p>396:09 overcome to find the app, to download</p> <p>396:10 it outside of the Google Play Store.</p> <p>396:11 So even Samsung has this</p> <p>396:12 challenge. If I were to go onto</p> <p>396:13 Samsung phone right now and Google how</p> <p>396:14 to get Fortnite, there is no mention of</p> <p>396:15 Galaxy Store. It doesn't even pop up</p> <p>396:16 in the first screen. And maybe the</p> <p>396:17 second screen either.</p> <p>396:18 So there is no information to</p> <p>396:19 inform a player as to actually how to</p> <p>396:20 get the game, unless we, as Epic,</p> <p>396:21 advertise within the Google search</p> <p>396:22 platform that you can go to our</p> <p>396:23 website. That means we're essentially</p> <p>396:24 just paying Google more money to inform</p> <p>396:25 players that you have to go our website</p> <p>397:01</p> <p>397:02 to get our APK.</p> <p>397:03 Now, once a player were to</p> <p>397:04 find that APK, so they make their way</p> <p>397:05 to Epic Games, and they see, oh, I</p> <p>397:06 could download the APK. But they don't</p> <p>397:07 really understand what sideloading is,</p> <p>397:08 so they don't understand the process of</p> <p>397:09 downloading an app outside the Google</p> <p>397:10 Play Store because --</p>		
397:13 - 398:16	<b>Stolfus, Hans 2022-02-11</b>	00:00:54	Stolfus.128
	<p>397:13 THE WITNESS: -- because</p> <p>397:14 they're so familiar with the</p> <p>397:15 process of downloading the game</p> <p>397:16 through Google Play, they arrive</p> <p>397:17 at Epic Games. They see an APK</p> <p>397:18 for download. And now they're hit</p> <p>397:19 with the first prompt, which is</p>		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	397:20 this APK could damage your phone.		
	397:21 So the unknowing consumer's		
	397:22 always going to be on the back		
	397:23 foot, they're always going to be		
	397:24 scared, afraid up front.		
	397:25 So even if they find the		
	398:01		
	398:02 game, they're now having to be put		
	398:03 through an install flow that's		
	398:04 prohibitive of actually		
	398:05 downloading the app.		
	398:06 So you could effectively		
	398:07 produce the greatest game ever		
	398:08 made. You could go out and		
	398:09 optimize everything you want for		
	398:10 mobile. But if it's not available		
	398:11 to the consumer and it's		
	398:12 impossible to download because of		
	398:13 the steps put in place to get it,		
	398:14 I don't know how you are going to		
	398:15 get your game in front of the		
	398:16 players you wish to reach.		
400:18 - 402:10	<b>Stolfus, Hans 2022-02-11</b>	00:01:32	Stolfus.129
	400:18 Q. Speaking of carriers, you		
	400:19 were asked about the letter of intent		
	400:20 that Epic had with Verizon.		
	400:21 Do you recall that?		
	400:22 A. I do.		
	400:23 Q. And you testified that		
	400:24 Verizon ultimately couldn't deliver on		
	400:25 either direct carrier billing or		
	401:01		
	401:02 preinstallation. Is that accurate?		
	401:03 A. Yeah, that's accurate.		
	401:04 Q. Do you know why Verizon could		
	401:05 not deliver on either of those two		
	401:06 things?		
	401:07 A. We were informed that they		
	401:08 couldn't meet our requirements for		
	401:09 direct carrier billing from a		



**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
	401:10 commercial revenue standpoint. They		
	401:11 were unable to deliver from a		
	401:12 merchant-of-record standpoint. They		
	401:13 were unable to deliver -- there was a		
	401:14 host of different reasons why they		
	401:15 couldn't deliver on carrier billing.		
	401:16 From a distribution		
	401:17 standpoint, we were informed over the		
	401:18 phone and multiple times from their		
	401:19 preinstallation partner Digital		
	401:20 Turbine, that they couldn't proceed		
	401:21 with the installation of an app that		
	401:22 had multiple apps.		
	401:23 We just were never able to		
	401:24 move forward with an actual		
	401:25 preinstallation program with Verizon		
	402:01		
	402:02 for a host of different reasons. And		
	402:03 we lead to believe by their partner,		
	402:04 Digital Turbine, that it was related to		
	402:05 Google.		
	402:06 Q. Related to Google in what		
	402:07 respect?		
	402:08 A. Google was preventing Verizon		
	402:09 from proceeding with preinstallation of		
	402:10 our app outside the Google Play.		
417:21 - 418:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:39	Stolfus.130
	417:21 Q. You had several		
	417:22 questions by both plaintiffs' lawyers		
	417:23 about OnePlus, right?		
	417:24 A. Yes.		
	417:25 Q. Okay. Do you know what		
	418:01		
	418:02 OnePlus's market share was in the		
	418:03 United States in 2020?		
	418:04 A. Not off the top of my head,		
	418:05 no.		
	418:06 Q. Do you know if it was below		
	418:07 2 percent?		
	418:08 A. It's quite possible it was		

## Stolfus

DESIGNATION	SOURCE	DURATION	ID
	418:09 below 2 percent, yes.		
	418:10 Q. Do you know what OnePlus's		
	418:11 market share worldwide, excluding		
	418:12 China, was in 2020?		
	418:13 A. Not off the top of my head,		
	418:14 no.		
423:12 - 423:17	<b>Stolfus, Hans 2022-02-11</b>	00:00:18	Stolfus.131
	423:12 Q. We discussed earlier		
	423:13 OnePlus offered Epic the ability to		
	423:14 preload the Fortnite installer on		
	423:15 OnePlus devices, and Tim Sweeney		
	423:16 rejected that offer; isn't that right?		
	423:17 A. That's correct.		
423:23 - 424:09	<b>Stolfus, Hans 2022-02-11</b>	00:00:21	Stolfus.132
	423:23 Digital Turbine is not		
	423:24 Verizon, is it?		
	423:25 A. Digital Turbine is a partner		
	424:01		
	424:02 of Verizon's that Verizon uses for		
	424:03 preinstallation on their phones.		
	424:04 Q. But Digital Turbine is a		
	424:05 separate entity than Verizon; is it		
	424:06 not?		
	424:07 A. I don't know if Verizon owns		
	424:08 Digital Turbine, but they were a		
	424:09 separate partner in the conversation.		
425:09 - 425:14	<b>Stolfus, Hans 2022-02-11</b>	00:00:15	Stolfus.133
	425:09 Q. So sitting here today under		
	425:10 oath, you can't tell the jury who at		
	425:11 Digital Turbine, which isn't Verizon,		
	425:12 told someone at Epic that Google		
	425:13 interfered with Verizon's ability to do		
	425:14 a deal with Epic?		
425:17 - 425:23	<b>Stolfus, Hans 2022-02-11</b>	00:00:12	Stolfus.134
	425:17 A. I don't have a memory of who		
	425:18 told us. It was on a call. We all got		
	425:19 together. We were discussing the		
	425:20 preinstallation of our app on Verizon		
	425:21 phones. And a member of the Digital		

**Stolfus**

DESIGNATION	SOURCE	DURATION	ID
425:22	Turbine team told us that Google was		
425:23	interfering.		

Designation	01:07:39
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<b>TOTAL RUN TIME</b>	<b>01:07:39</b>
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Documents linked to video:

812

813

814

815

10028-UNHIGHLIGHTED

10171

10184

10193

10194

10196


10198

## **Deposition Designations of Randy Gelber**



*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

## Gelber

DESIGNATION	SOURCE	DURATION	ID
6:06 - 6:08	<b>Gelber, Randy 2022-09-02</b> 6:06 Q. Would you just please state 6:07 your name for the record. 6:08 A. Randy Gelber.	00:00:06	Gelber.1
21:25 - 22:03	<b>Gelber, Randy 2022-09-02</b> 21:25 Q. Okay. You joined Epic Games in 22:01 22:02 April of 2019? 22:03 A. Yes.	00:00:05	Gelber.2
24:25 - 25:04	<b>Gelber, Randy 2022-09-02</b> 24:25 Q. And I think you took on 25:01 25:02 the chief financial officer role in October 25:03 of 2020, you said? 25:04 A. That's correct.	00:00:08	Gelber.3
27:10 - 27:14	<b>Gelber, Randy 2022-09-02</b> 27:10 Q. As chief financial officer of 27:11 Epic, if Epic was making significant 27:12 expenditures to invest in a strategic 27:13 initiative, you would be aware of that? 27:14 A. Yes.	00:00:11	Gelber.4
38:02 - 38:04	<b>Gelber, Randy 2022-09-02</b> 38:02 Q. Does Epic consider PC gaming to 38:03 be a separate market from mobile gaming? 38:04 A. Yes.	00:00:08	Gelber.5
44:22 - 45:03	<b>Gelber, Randy 2022-09-02</b> 44:22 Mr. Gelber, do you recognize 44:23 this document? 44:24 A. Yes. 44:25 Q. And at a high level, what is 45:01 45:02 this spreadsheet that's been marked as 45:03 Exhibit 10692?	00:00:09	Gelber.6
45:04 - 45:12	<b>Gelber, Randy 2022-09-02</b> 45:04 A. It's non-GAAP monthly financial 45:05 data with revenues broken out by two 45:06 different games and platform and then	00:00:25	Gelber.7

 10692-NATIVE  
.1

## Gelber

DESIGNATION	SOURCE	DURATION	ID
	45:07 some -- and then down to our EBITDA.		
	45:08 Q. Understood. Does this document		
	45:09 to your understanding reflect financial		
	45:10 data that's kept by Epic in the usual		
	45:11 course of its business?		
	45:12 A. Yes.		
45:18 - 45:18	<b>Gelber, Randy 2022-09-02</b>	00:00:03	Gelber.8
	45:18 Q. Any reason to believe that any of the data		
45:19 - 45:21	<b>Gelber, Randy 2022-09-02</b>	00:00:04	Gelber.9
	45:19 in Exhibit 692 are not		
	45:20 accurate?		
	45:21 A. No.		
49:04 - 49:15	<b>Gelber, Randy 2022-09-02</b>	00:00:42	Gelber.10
 Clear	49:04 Q. Let's say between 2017 and		
	49:05 2020, roughly what percentage of revenue		
	49:06 from Fortnite does Epic earn from		
	49:07 transactions on mobile devices?		
	49:08 A. Maybe it is best we do the		
	49:09 math, but I believe roughly it is around 8		
	49:10 to 10 percent.		
	49:11 Q. Okay. And roughly what		
	49:12 percentage of Fortnite revenue does Epic		
	49:13 earn from transactions on consoles between		
	49:14 2017 and 2021?		
	49:15 A. It is roughly 80 percent.		
50:07 - 50:11	<b>Gelber, Randy 2022-09-02</b>	00:00:13	Gelber.11
	50:07 Q. Sure. Between 2017 and 2021,		
	50:08 approximately what percentage of revenue		
	50:09 from Fortnite did Epic earn from		
	50:10 transactions on Android mobile devices?		
	50:11 A. Less than a percent.		
87:16 - 87:21	<b>Gelber, Randy 2022-09-02</b>	00:00:08	Gelber.12
 10694-NATIVE .1	87:16 A. Exhibit 10694 is our corporate		
	87:17 model.		
	87:18 Q. And this is a document that is		
	87:19 maintained in the usual course of Epic's		
	87:20 business?		
	87:21 A. Yes.		

## Gelber

DESIGNATION	SOURCE	DURATION	ID
97:04 - 97:05	<b>Gelber, Randy 2022-09-02</b> 97:04 Q. Who built this model in Exhibit 97:05 10694?	00:00:01	Gelber.13
97:06 - 97:10	<b>Gelber, Randy 2022-09-02</b> 97:06 A. There is a large team that 97:07 works on this model. 97:08 Q. And that team reports to you? 97:09 A. The leader of that team reports 97:10 to me.	00:00:09	Gelber.14
97:16 - 97:19	<b>Gelber, Randy 2022-09-02</b> 97:16 Q. Understood. Could we go to the 97:17 Fortnite tab.  97:18 A. Which tab is that? 97:19 Q. I think it is FN.	00:00:10	Gelber.15
97:22 - 97:22	<b>Gelber, Randy 2022-09-02</b> 97:22 A. Okay, yup, I see it.	00:00:02	Gelber.16
98:10 - 98:20	<b>Gelber, Randy 2022-09-02</b> 98:10 Q. So in 2019, 16.8 percent of  98:11 people who played Fortnite paid something? 98:12 A. Yes, on average. 98:13 Q. And on average in 2020 17.8 98:14 percent of people who played Fortnite paid 98:15 something? 98:16 A. Yes. 98:17 Q. And in 2021 18.6 percent of 98:18 people who played Fortnite paid for 98:19 something? 98:20 A. Yes.	00:00:29	Gelber.17
204:03 - 204:08	<b>Gelber, Randy 2022-09-02</b> 204:03 Q. And internally what 204:04 form of calculations does Epic use to 204:05 evaluate whether the Epic Games Store is 204:06 earning or losing money? 204:07 A. We don't really look at the 204:08 business as you're asking.	00:00:16	Gelber.18
205:12 - 205:19	<b>Gelber, Randy 2022-09-02</b>	00:00:19	Gelber.19

## Gelber

DESIGNATION	SOURCE	DURATION	ID
	205:12 Q. There is no correct way to 205:13 determine whether the Epic Games Store 205:14 segment of Epic's business has lost or 205:15 earned a positive return in each year 205:16 between 2018 and the present? 205:17 A. No, it would depend on what the 205:18 purpose of the analysis is and what you 205:19 were trying to understand.		Gelber.19
241:22 - 241:25	<b>Gelber, Randy 2022-09-02</b>	00:00:09	Gelber.20
	241:22 Q. Are there business reasons 241:23 you're aware of why Epic hasn't sued Sony 241:24 or Microsoft or Nintendo? 241:25 A. Yes.		
242:02 - 242:24	<b>Gelber, Randy 2022-09-02</b>	00:00:57	Gelber.21
	242:02 Q. What are those? 242:03 A. Those are, you know, we believe 242:04 those to be competitive markets and we 242:05 believe that the fee, their cost structure, 242:06 is entirely different than a mobile app 242:07 store. 242:08 Q. Okay. How is the cost 242:09 structure different? 242:10 A. Well, they subsidize hardware, 242:11 so they sell their hardware, you know, as 242:12 far as I can tell from widely-published 242:13 reports, at a loss, and so the fee needs to 242:14 cover that. Mobile apps are typically low 242:15 in size and so their hosting costs are 242:16 higher, and I would assume that their 242:17 customer service costs are higher as well 242:18 because I don't think people call Google 242:19 about apps, they call the developer 242:20 generally. 242:21 And so for all those reasons, I 242:22 believe the cost structures to be entirely 242:23 different, and there are multiple 242:24 competitors on console.		
278:23 - 278:24	<b>Gelber, Randy 2022-09-02</b>	00:00:01	Gelber.22
 10708.1	278:23 What 278:24 is Exhibit 10708?		



## Gelber

DESIGNATION	SOURCE	DURATION	ID
278:25 - 279:13	<b>Gelber, Randy 2022-09-02</b> 278:25 A. It appears to be an e-mail 279:01 279:02 dialogue. 279:03 Q. It is an e-mail to David 279:04 Wallerstein at Tencent? 279:05 A. It is an e-mail to David 279:06 Wallerstein at Tencent, though it 279:07 originated from an e-mail that was sent by 279:08 Mr. Phan it looks like to both then 279:09 Mr. Feder and Mr. Wallerstein. 279:10 Q. And Mr. Wallerstein from 279:11 Tencent, is he on the board of directors of 279:12 Epic? 279:13 A. He is.	00:00:37	Gelber.23
279:22 - 280:12	<b>Gelber, Randy 2022-09-02</b> 279:22 Q. Now, he asks "Can we get a 279:23 sense of what our revenue loss has been in 279:24 September by not being on IOS or Google 279:25 Play?" 280:01 280:02 This is September of 2020 after 280:03 Fortnite had been removed from the Apple 280:04 App Store and the Google Play Store. Do 280:05 you see that? 280:06 A. Yes. 280:07 Q. And you respond in part of your 280:08 response "We believe 20 to 40 percent of 280:09 this mobile revenue transferred to other 280:10 platforms." 280:11 Do you see that? 280:12 A. Yes.	00:00:28	Gelber.24
282:23 - 283:12	<b>Gelber, Randy 2022-09-02</b>  Clear 282:23 Q. In your capacity as chief 282:24 financial officer, how much has Epic 282:25 budgeted to pay OEMs to preinstall the Epic 283:01 283:02 Games Store on Android devices? 283:03 A. I'm not aware of any. 283:04 Q. Has Epic even considered paying	00:00:43	Gelber.25

**Gelber**

DESIGNATION	SOURCE	DURATION	ID
	283:05 OEMs to preload the Epic Games Store on 283:06 Android devices? 283:07 A. I couldn't answer the question. 283:08 Q. Are you aware of any 283:09 expenditures that Epic has made to try and 283:10 get users to sideload the Epic Games Store 283:11 on Android devices? 283:12 A. No.		
284:06 - 284:10	<b>Gelber, Randy 2022-09-02</b> 284:06 Q. As CFO, are you aware of anyone 284:07 in the company proposing that money be 284:08 spent on incentives to OEMs to preload the 284:09 Epic Games Store on Android devices? 284:10 A. I'm not aware.	00:00:15	Gelber.26
284:11 - 284:15	<b>Gelber, Randy 2022-09-02</b> 284:11 Q. Have you had any conversations 284:12 in which anyone has told you that Epic is 284:13 prohibited from preinstalling the Epic 284:14 Games Store on Android devices? 284:15 A. Not that I can recall.	00:00:14	Gelber.27
285:24 - 286:14	<b>Gelber, Randy 2022-09-02</b> 285:24 Q. And in 2020 Epic paid \$386 285:25 million to developers in exchange for 286:01 286:02 exclusive distribution via the Epic Games 286:03 Store? 286:04 A. Yes. 286:05 Q. And in 2021 Epic paid 286:06 developers \$259 million in exchange for 286:07 developers' agreement to launch exclusively 286:08 in the Epic Games Store? 286:09 A. Yes. 286:10 Q. Is there anything wrong in your 286:11 view with Epic paying hundreds of millions 286:12 of dollars to developers to get them to 286:13 launch exclusively in the Epic Games Store? 286:14 A. No.	00:00:38	Gelber.28

Designation

00:07:52

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**TOTAL RUN TIME**

**00:07:52**



Documents linked to video:

10692-NATIVE

10694-NATIVE

10694-NATIVE-1

10708

## **Deposition Designations of Asi Burak**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.

**Burak**

DESIGNATION	SOURCE	DURATION	ID
11:07 - 11:09	<b>Burak, Asi 2022-08-05</b> 11:07 Q. Mr. Burak, where are you 11:08 currently employed? 11:09 A. I am employed at Tilting Point.	00:00:08	Burak.1
11:25 - 12:03	<b>Burak, Asi 2022-08-05</b> 11:25 Q. And at Tilting Point what is 12:01 12:02 your current position? 12:03 A. Chief business officer.	00:00:07	Burak.2
23:15 - 23:23	<b>Burak, Asi 2022-08-05</b> 23:15 Q. Has Tilting Point always been 23:16 focused on free to play games publishing or 23:17 was it at some point focused on pay to play 23:18 games? 23:19 A. It was, because the company was 23:20 established in 2012, and that was the 23:21 dominant business model. When that flipped 23:22 in 2015 and free to play became more 23:23 dominant, the company transitioned as well.	00:00:30	Burak.3
25:03 - 25:11	<b>Burak, Asi 2022-08-05</b> 25:03 Q. So currently in Tilting Point's 25:04 portfolio what percentage of the games in 25:05 its portfolio are free to play, meaning 25:06 that they are free to download? 25:07 A. I would say 90 percent. 25:08 Q. And that includes the games 25:09 that are available for download through the 25:10 Google Play platform? 25:11 A. Correct.	00:00:28	Burak.4
25:22 - 27:12	<b>Burak, Asi 2022-08-05</b> 25:22 Q. Does Tilting Point benefit from 25:23 the ability to distribute free to play 25:24 games through the Google Play platform? 25:25 A. Yes, it does. 26:01 26:02 Q. How so? 26:03 A. I mean, the app stores in 26:04 general provide services. I can say that 26:05 it's true for a lot of those we work with,	00:02:19	Burak.5

**Burak**

DESIGNATION	SOURCE	DURATION	ID
	<p>26:06 it is true too in mobile to Apple and</p> <p>26:07 Google. Google specifically provides</p> <p>26:08 visibility to our games, especially if we</p> <p>26:09 would release new content or updated</p> <p>26:10 content, that visibility is featuring, it</p> <p>26:11 is basically giving it a prime position on</p> <p>26:12 the store. It ensures -- it does quality</p> <p>26:13 assurance of the content that we put in and</p> <p>26:14 will report to us any issues they could see</p> <p>26:15 with technical bugs or localization</p> <p>26:16 mistakes, errors. It provides</p> <p>26:17 us dashboards that we can see data</p> <p>26:18 analytics, and also can see red flags on</p> <p>26:19 crash rate, for example, that is an</p> <p>26:20 important measure.</p> <p>26:21 In the past when we were in</p> <p>26:22 discussions they also provided reports from</p> <p>26:23 time to time that are going more in depth</p> <p>26:24 into a certain game and they are giving a</p> <p>26:25 comparable to the genre, to let's say</p> <p>27:01</p> <p>27:02 leading apps, anonymously, not naming them,</p> <p>27:03 but comparing them to where we are in terms</p> <p>27:04 of our performance. These are a few that</p> <p>27:05 come to my mind, there are probably more,</p> <p>27:06 but these are the ones that jump to my</p> <p>27:07 mind.</p> <p>27:08 Q. And in terms of the</p> <p>27:09 distribution itself, does Tilting Point</p> <p>27:10 derive value from the discoverability</p> <p>27:11 that's provided by distribution on the Play</p> <p>27:12 platform?</p>		
27:15 - 28:15	<p><b>Burak, Asi 2022-08-05</b></p> <p>27:15 A. Yes, just by the nature of</p> <p>27:16 being on that platform, the game is</p> <p>27:17 discovered by, you know, thousands, in some</p> <p>27:18 cases millions of players. Compared to the</p> <p>27:19 other stores, Google is stronger in what we</p> <p>27:20 call emerging markets, so, you know, it is</p> <p>27:21 more global in nature compared to the Apple</p>	00:01:37	Burak.6

**Burak**


DESIGNATION	SOURCE	DURATION	ID
	27:22 store.		
	27:23 The nature of the audience, the		
	27:24 quality, is also affecting one of the most		
	27:25 important measures that we look at, which		
	28:01		
	28:02 is LTV, the lifetime value of a user in a		
	28:03 certain game. So, for example, I can		
	28:04 compare the value that I get on the Google		
	28:05 Store from a certain player in a game to		
	28:06 the value that I would get if I launched		
	28:07 the same game on Samsung, for example,		
	28:08 which would be the same exact build, the		
	28:09 same exact content, just distributed on		
	28:10 another Android device and not on the		
	28:11 Google Store, and the LTV that I get on the		
	28:12 Google Store would be much higher. That's		
	28:13 why I would prefer to go and distribute on		
	28:14 Google Play and not necessarily put all I		
	28:15 have on Samsung.		
29:12 - 29:17	<b>Burak, Asi 2022-08-05</b>	00:00:19	Burak.7
	29:12 Q. What percentage of users who		
	29:13 download Tilting Point's apps make in-app		
	29:14 purchases?		
	29:15 A. It could be as low as 3		
	29:16 percent. 97 percent basically play for		
	29:17 free.		
36:03 - 36:07	<b>Burak, Asi 2022-08-05</b>	00:00:21	Burak.8
	36:03 Q. And in terms of Tilting Point's		
	36:04 efforts to maximize the success of a		
	36:05 developer whose game it is publishing, how		
	36:06 does the Google Play platform play into --		
	36:07 play into that effort?		
36:10 - 36:24	<b>Burak, Asi 2022-08-05</b>	00:00:58	Burak.9
	36:10 A. Google Play would be one of the		
	36:11 two major stores that I would focus my		
	36:12 efforts on. In most cases, when I meet the		
	36:13 developer they are already present on the		
	36:14 Google Store. That said, there were cases		
	36:15 where I met a developer and they would be		
	36:16 only present on IOS, on the Apple Store,		

**Burak**



DESIGNATION	SOURCE	DURATION	ID
	36:17 and I would help them to extend their 36:18 presence to Google Store, because, again, 36:19 this is -- it is almost like a 101 must do 36:20 in mobile publishing, you need to be at the 36:21 very least on Apple and Google in order to 36:22 succeed, because 40 to 50 percent of your 36:23 revenue will most likely come from the 36:24 Google Store.		
44:22 - 44:25	<b>Burak, Asi 2022-08-05</b>	00:00:12	Burak.10
	44:22 How does the distribution of free to 44:23 play games on the Google Play platform 44:24 allow Tilting Point to scale up games for 44:25 its developers?		
45:04 - 47:13	<b>Burak, Asi 2022-08-05</b>	00:03:28	Burak.11
	45:04 A. Think about the 45:05 Google Store app page, the game page, as a 45:06 window in the store or a shelf. What I am 45:07 focusing on in most of my efforts is to 45:08 bring as many let's call it appropriate 45:09 customers to that page. When I say 45:10 appropriate customers, I have the 45:11 sophistication to not only bring random 45:12 people to that store, but to bring the 45:13 people that will most likely enjoy playing 45:14 that specific product. 45:15 Google not only provides that 45:16 space that I send players to, whether I do 45:17 it with paid media or organically via 45:18 community efforts, it also provides tools 45:19 for me to understand how effectively I'm 45:20 doing it and how effectively they convert 45:21 to install the apps, the games, and how 45:22 effectively I can convert them later on to 45:23 be payers which, as we said, is a small 45:24 percentage. Over time, and as I said, it 45:25 can be a lifecycle of years, I can also 46:01 46:02 follow up the game performance and 46:03 understand how I monitor or fine-tune that 46:04 stream of players, right?		




## Burak

DESIGNATION	SOURCE	DURATION	ID
	46:05 Again, I'm trying not to go		
	46:06 into too much detail here, but basically my		
	46:07 interaction with Google Play and the		
	46:08 dashboard that provides data, it allows me		
	46:09 to maximize my efforts in getting the right		
	46:10 players and getting them to convert and		
	46:11 getting them to pay for my products, and		
	46:12 that's a service I'm giving the developers		
	46:13 obviously.		
	46:14 Q. For those services that you		
	46:15 just described from the dashboard to the		
	46:16 featuring, does Google Play charge Tilting		
	46:17 Point for any of those services?		
	46:18 A. Not specifically. Obviously we		
	46:19 see it as a package and part of the 30		
	46:20 percent platform fee on IAP. I think		
	46:21 Google sees it the same, and it is part of		
	46:22 the expectations of a partnership.		
	46:23 The one thing I didn't mention,		
	46:24 sorry, is just because I think it is also		
	46:25 important, is what we call ASO. I		
	47:01		
	47:02 described that page as a storefront or a		
	47:03 shelf. Google also provides me with tools		
	47:04 to optimize that presence, whether it is by		
	47:05 which keywords are going to be relevant,		
	47:06 which images are going to be most		
	47:07 attractive to allow players to convert,		
	47:08 etc. But that's another interaction that		
	47:09 happens with the data and with the team.		
	47:10 Q. Does Tilting Point, for these		
	47:11 services that you have described, does		
	47:12 Tilting Point derive value from the		
	47:13 provision of those services?		
47:16 - 47:16	<b>Burak, Asi 2022-08-05</b>	00:00:01	Burak.12
	47:16 A. Yes.		
74:18 - 74:19	<b>Burak, Asi 2022-08-05</b>	00:00:04	Burak.13
	74:18 Q. So do you recognize the		
 11373.1	74:19 document		
74:21 - 75:09	<b>Burak, Asi 2022-08-05</b>	00:00:45	Burak.14

**Burak**

DESIGNATION	SOURCE	DURATION	ID
	74:21 A. Yes.		Burak.14
	74:22 Q. And can you tell me or can you		
	74:23 tell us, Mr. Burak, what this document is?		
	74:24 A. Yes. This is a meeting that we		
	74:25 arranged at the beginning of the year, I		
	75:01		
	75:02 believe in the presence of the head of the		
	75:03 Google Play Store, an opportunity for us to		
	75:04 feature or present our business to the		
	75:05 partner, present our long-term plan, the		
	75:06 major achievements of the last year and		
	75:07 beyond, and highlight the pain points that		
	75:08 we are interested in Google Play to help us		
	75:09 resolve.		
75:18 - 76:14	<b>Burak, Asi 2022-08-05</b>	00:01:26	Burak.15
 11373.4	75:18 Q. If you turn to page 4 of the		
	75:19 presentation, there is a little number down		
	75:20 in the lower right-hand side that says 409,		
	75:21 but it is the slide that is titled		
	75:22 Exponential Growth. Do you see that?		
	75:23 A. Yes.		
 11373.4.1	75:24 Q. On the left-hand side of this		
	75:25 slide, what is being depicted in the graph		
	76:01		
	76:02 under Tilting Point's Gross Revenue YoY?		
	76:03 A. This is the growth that we		
	76:04 discussed earlier in terms of our gross		
	76:05 revenue year over year, and getting to 193		
	76:06 in '21, and this is not Google alone, this		
	76:07 is every revenue source, and this shows		
	76:08 Tilting Point, since it started deploying		
	76:09 the progressive publishing model, found		
	76:10 success in the market.		
	76:11 Q. Has distribution of free to		
	76:12 play games on the mobile platforms,		
	76:13 including Google Play, has that facilitated		
	76:14 or assisted in this revenue growth?		
76:17 - 76:18	<b>Burak, Asi 2022-08-05</b>	00:00:06	Burak.16
	76:17 A. Yes, it is, I would say, 85 to		
	76:18 90 percent contribution.		

## Burak

DESIGNATION	SOURCE	DURATION	ID
85:07 - 85:08	<b>Burak, Asi 2022-08-05</b>	00:00:04	Burak.17
 Clear	85:07 Does Google provide growth 85:08 consulting services to Tilting Point?		
85:10 - 85:13	<b>Burak, Asi 2022-08-05</b>	00:00:17	Burak.18
	85:10 A. I wouldn't necessarily define 85:11 it like that. I would define it more as 85:12 consulting on how to benefit most from what 85:13 the platform has to offer.		
85:16 - 86:03	<b>Burak, Asi 2022-08-05</b>	00:00:40	Burak.19
	85:16 Is that consulting directed at 85:17 finding ways, for example, to improve user 85:18 acquisition? 85:19 A. Yes. 85:20 Q. Is that consulting directed at 85:21 finding ways to improve the financial 85:22 performance of Tilting Point's apps? 85:23 A. Yes. 85:24 Q. Is that consulting directed at 85:25 finding ways that Google Play can assist in 86:01 86:02 better monetizing Tilting Point's users? 86:03 A. Yes.		
86:04 - 86:07	<b>Burak, Asi 2022-08-05</b>	00:00:16	Burak.20
	86:04 Q. And as we have discussed 86:05 before, Google doesn't charge Tilting Point 86:06 anything in connection with these 86:07 consulting services as a separate charge?		
86:10 - 86:14	<b>Burak, Asi 2022-08-05</b>	00:00:20	Burak.21
	86:10 A. Not directly. As we mentioned 86:11 before, we see it as part of the reason 86:12 that there is a platform fee. That's what 86:13 we perceive as the price of being -- taking 86:14 our games to distribute on Google.		
93:17 - 93:20	<b>Burak, Asi 2022-08-05</b>	00:00:13	Burak.22
	93:17 Q. As a developer that distributes 93:18 games on both IOS and the Google Play 93:19 Store, do you see competition between IOS 93:20 and the Play Store?		
93:23 - 94:19	<b>Burak, Asi 2022-08-05</b>	00:01:10	Burak.23

**Burak**

DESIGNATION	SOURCE	DURATION	ID
	93:23 A. Yes.		Burak.23
	93:24 Q. And how so? In what ways do		
	93:25 you see that?		
	94:01		
	94:02 A. I think that many times you see		
	94:03 both stores, you know, presenting features		
	94:04 that, you know, might have been presented		
	94:05 first by one of them and the other one is		
	94:06 following through and trying to compete and		
	94:07 present features with similar benefits to		
	94:08 the developers.		
	94:09 Q. Are there any examples that you		
	94:10 can think of where that's been the case?		
	94:11 A. I think that there is something		
	94:12 to say about, you know, events. I think		
	94:13 that actually Google presented first the		
	94:14 live ops cards and, you know, treating		
	94:15 events differently, and Apple followed up		
	94:16 with their own kind of events featuring on		
	94:17 the product page. It's not the same		
	94:18 service per se, but it is coming from a		
	94:19 similar purpose.		
132:20 - 133:04	<b>Burak, Asi 2022-08-05</b>	00:00:25	Burak.24
	132:20 Mr. Burak, you testified this		
	132:21 morning that Tilting Point distributes		
	132:22 certain Android apps through the Google		
	132:23 Play Store, correct?		
	132:24 A. Correct.		
	132:25 Q. And for those apps, Tilting		
	133:01		
	133:02 Point makes revenue from in-app purchases		
	133:03 made in those Android apps, correct?		
	133:04 A. Correct.		
133:21 - 133:23	<b>Burak, Asi 2022-08-05</b>	00:00:07	Burak.25
	133:21 Q. So I just will ask again, do		
	133:22 the users of those apps use Google Play		
	133:23 billing for those in-app purchases?		
134:02 - 134:02	<b>Burak, Asi 2022-08-05</b>	00:00:02	Burak.26
	134:02 A. Yes.		

**Burak**

DESIGNATION	SOURCE	DURATION	ID
134:03 - 134:11	<b>Burak, Asi 2022-08-05</b> 134:03 Q. Now, sir, you discussed this 134:04 morning the way that Tilting Point works 134:05 with Google in furtherance of its business 134:06 as a publisher of Android apps, correct? 134:07 A. Correct. 134:08 Q. And in fact I think you 134:09 explained that Tilting Point relies on 134:10 Google for a significant proportion of its 134:11 revenue each year, right?	00:00:31	Burak.27
134:16 - 134:21	<b>Burak, Asi 2022-08-05</b> 134:16 A. Correct. 134:17 Q. And in fact I think in recent 134:18 years it is fair to say that the revenue 134:19 that Tilting Point has earned from Google 134:20 is in the range of 40 percent of its total 134:21 revenues in any given year?	00:00:17	Burak.28
134:24 - 135:13	<b>Burak, Asi 2022-08-05</b> 134:24 A. Roughly, yes. 134:25 Q. And you testified this morning 135:01 135:02 that I think that's the second largest 135:03 source of revenue in Tilting Point's 135:04 business, correct? 135:05 A. Correct. 135:06 Q. And so given that, is it fair 135:07 to say that Google is important to Tilting 135:08 Point's business? 135:09 A. Yes. 135:10 Q. In fact, not just important, 135:11 that revenue stream from Google is in fact 135:12 critical to Tilting Point's business; is it 135:13 not?	00:00:42	Burak.29
135:16 - 136:02	<b>Burak, Asi 2022-08-05</b> 135:16 A. Correct. 135:17 Q. And as a publisher of Android 135:18 apps, Tilting Point needs to be able to 135:19 work well with Google as part of its 135:20 business, fair? 135:21 A. Yes, I think it's true.	00:00:30	Burak.30

**Burak**

DESIGNATION	SOURCE	DURATION	ID
	135:22 Q. And in fact you testified this		
	135:23 morning that one of the things that Tilting		
	135:24 Point offers its developer clients is a		
	135:25 stronger relationship with Google than they		
	136:01		
	136:02 could have individually; is that right?		
136:05 - 136:09	<b>Burak, Asi 2022-08-05</b>	00:00:12	Burak.31
	136:05 A. Correct.		
	136:06 Q. And for the same reason, as a		
	136:07 publisher of Android apps, the Google Play		
	136:08 Store is critical to Tilting Point's		
	136:09 business as well, isn't it?		
136:12 - 136:20	<b>Burak, Asi 2022-08-05</b>	00:00:25	Burak.32
	136:12 A. Correct.		
	136:13 Q. You explained how Tilting Point		
	136:14 works hard to maintain a good relationship		
	136:15 with Google; is that correct?		
	136:16 A. Yes.		
	136:17 Q. And that's something that		
	136:18 Tilting Point views as an important part of		
	136:19 its business on a daily basis?		
	136:20 A. Yes.		
138:10 - 138:14	<b>Burak, Asi 2022-08-05</b>	00:00:16	Burak.33
	138:10 Q. And all of these reasons are		
	138:11 part of why it is important to Tilting		
	138:12 Point's business to maintain a strong and		
	138:13 good and productive relationship with		
	138:14 Google, correct?		
138:17 - 138:20	<b>Burak, Asi 2022-08-05</b>	00:00:13	Burak.34
	138:17 A. Correct.		
	138:18 Q. And you are aware that Google		
	138:19 asked to take your testimony today, sir?		
	138:20 A. Yes.		
139:06 - 139:08	<b>Burak, Asi 2022-08-05</b>	00:00:06	Burak.35
	139:06 Q. And you agreed to testify in		
	139:07 response to that request, correct?		
	139:08 A. Yes.		

**Burak**

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Designation	00:19:32
<b>TOTAL RUN TIME</b>	<b>00:19:32</b>



Documents linked to video:  
11373

## **Deposition Designations of Robert Beaty**

*In re Google Play Store Antitrust Litigation*, 3:20-cv-2981, N.D. Cal.  
*Epic Games, Inc. v. Google LLC, et al.*, 3:20-cv-5671, N.D. Cal.



**Beaty**

DESIGNATION	SOURCE	DURATION	ID
17:12 - 17:14	<b>Beaty, Robert 2022-09-22</b>	00:00:05	Beaty.1
17:12	Q. Where are you currently		
17:13	employed?		
17:14	A. OCV LLC.		
17:25 - 18:03	<b>Beaty, Robert 2022-09-22</b>	00:00:05	Beaty.2
17:25	Q. And what is your current		
18:01			
18:02	position?		
18:03	A. Chief technology officer.		
20:14 - 21:03	<b>Beaty, Robert 2022-09-22</b>	00:00:39	Beaty.3
20:14	So, broadly speaking, what is		
20:15	OCV?		
20:16	A. At this time, we are a		
20:17	mobile-application-first developer. We		
20:18	also do websites for our clients, but		
20:19	we focus primarily in the law		
20:20	enforcement/public safety sectors.		
20:21	That would include police, sheriff,		
20:22	fire departments, public health		
20:23	departments, clerk of courts.		
20:24	We also have a little bit in		
20:25	the health space. And a few random		
21:01			
21:02	custom apps for people that maybe don't		
21:03	fit quite in those markets.		
22:05 - 23:03	<b>Beaty, Robert 2022-09-22</b>	00:00:59	Beaty.4
22:05	Q. And what are the types of		
22:06	mobile apps that OCV creates?		
22:07	A. It is primarily		
22:08	public-facing.		
22:09	So, for example, take a		
22:10	sheriff's office. It would be an app		
22:11	for them to provide to their citizens		
22:12	for communication purposes. They can		
22:13	put communications out. They can get		
22:14	them back in the form of a submitted		
22:15	tip, things like that.		
22:16	We also do a handful of		
22:17	internal apps for agencies where it's		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	22:18 more of an internal communications		
	22:19 tool.		
	22:20 We also -- somewhat recently,		
	22:21 we've launched some officer		
	22:22 wellness-type apps. And we have		
	22:23 Children's Oncology Group, which is a		
	22:24 resource for parents of children that		
	22:25 are going through chemo and things of		
	23:01		
	23:02 that nature, for tracking.		
	23:03 So kind of broad spectrum.		
24:17 - 24:21	<b>Beaty, Robert 2022-09-22</b>	00:00:15	Beaty.5
	24:17 Mr. Beaty, how many apps has		
	24:18 OCV developed, approximately?		
	24:19 A. I believe we are somewhere in		
	24:20 the 700s, maybe 800 total, over all		
	24:21 time.		
25:08 - 25:12	<b>Beaty, Robert 2022-09-22</b>	00:00:14	Beaty.6
	25:08 Q. Are all of the apps that OCV		
	25:09 developed, are they all available on		
	25:10 the Google Play Store?		
	25:11 A. I believe currently somewhere		
	25:12 in the 5- to 600 range are.		
25:13 - 25:15	<b>Beaty, Robert 2022-09-22</b>	00:00:07	Beaty.7
	25:13 Q. And are all OCV apps free to		
	25:14 download from the Google Play Store?		
	25:15 A. Yes.		
25:25 - 26:04	<b>Beaty, Robert 2022-09-22</b>	00:00:08	Beaty.8
	25:25 Q. Do users pay anything to		
	26:01		
	26:02 Google to download any of OCV's apps		
	26:03 from the Google Play Store?		
	26:04 A. No.		
43:17 - 44:08	<b>Beaty, Robert 2022-09-22</b>	00:00:42	Beaty.9
	43:17 Mr. Beaty, are you familiar		
	43:18 with OCV's business model?		
	43:19 A. Yes.		
	43:20 Q. How would you describe it?		
	43:21 A. We provide mobile		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	43:22 applications to typically government		
	43:23 agencies that would like to communicate		
	43:24 with their citizens.		
	43:25 Q. And how does OCV make money?		
	44:01		
	44:02 A. We charge a development fee		
	44:03 for the production of the apps, and		
	44:04 then a yearly maintenance fee which		
	44:05 goes into providing the services that		
	44:06 power the apps, updates, and continuing		
	44:07 to make it profitable for us to provide		
	44:08 them.		
45:07 - 45:09	<b>Beaty, Robert 2022-09-22</b>	00:00:08	Beaty.10
	45:07 Q. Has the Google Play platform		
	45:08 allowed for broad distribution of		
	45:09 OCV-developed applications?		
45:11 - 45:11	<b>Beaty, Robert 2022-09-22</b>	00:00:02	Beaty.11
	45:11 A. I would say yes.		
45:13 - 45:21	<b>Beaty, Robert 2022-09-22</b>	00:00:30	Beaty.12
	45:13 How so?		
	45:14 A. Understanding that		
	45:15 functionally all commercially available		
	45:16 Android phones have the Play Store		
	45:17 available to them, it provides the		
	45:18 largest user base that we can		
	45:19 distribute to, from a standard in		
	45:20 consumer of our app.		
	45:21 Q. Has that benefited OCV?		
45:23 - 46:03	<b>Beaty, Robert 2022-09-22</b>	00:00:16	Beaty.13
	45:23 A. I would say it does, giving		
	45:24 us -- you know, our client having the		
	45:25 most individuals that can communicate		
	46:01		
	46:02 to is why they're going to continue to		
	46:03 work with us to have that app.		
46:23 - 47:11	<b>Beaty, Robert 2022-09-22</b>	00:00:43	Beaty.14
	46:23 Q. What services does Google		
	46:24 provide OCV in connection with the		
	46:25 development of its apps?		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	47:01		
	47:02 A. Let's see.		
	47:03 It's certainly the Play Store		
	47:04 platform, the Android Studio		
	47:05 development environment and the		
	47:06 associated tools with that, that allow		
	47:07 us to develop the apps.		
	47:08 And then in regards to		
	47:09 features, access to the various Google		
	47:10 cloud compute services so that we can		
	47:11 provide those features to our clients.		
47:17 - 47:19	<b>Beaty, Robert 2022-09-22</b>	00:00:08	Beaty.15
	47:17 Q. What services does Google		
	47:18 provide OCV in connection with the		
	47:19 distribution of its apps?		
47:21 - 47:25	<b>Beaty, Robert 2022-09-22</b>	00:00:19	Beaty.16
	47:21 A. Outside of the ability to		
	47:22 upload them and provide them to the		
	47:23 users through the Play Store, not		
	47:24 certain I understand any other		
	47:25 relevance for the question.		
52:19 - 54:05	<b>Beaty, Robert 2022-09-22</b>	00:01:48	Beaty.17
	52:19 Are you familiar with Android		
	52:20 Studio?		
	52:21 A. I am.		
	52:22 Q. What is Android Studio?		
	52:23 A. A development environment for		
	52:24 building Android apps.		
	52:25 Q. And how does OCV use Android		
	53:01		
	53:02 Studio?		
	53:03 A. Our Android development team		
	53:04 uses it to develop their future set for		
	53:05 our apps on Android.		
	53:06 Q. Can you give some examples of		
	53:07 the ways in which the development team		
	53:08 utilizes Android Studio?		
	53:09 A. Specifically, develop the		
	53:10 code. They also use it to debug		
	53:11 issues. And the emulator to emulate		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	53:12 the app virtually so that they can have		
	53:13 that up while they're working.		
	53:14 Q. Can you explain what the		
	53:15 emulator is?		
	53:16 A. Yeah. It emulates an Android		
	53:17 device. You are able to fit parameters		
	53:18 related to that in regards to screen		
	53:19 sizes, CPU resources, storage, that		
	53:20 sort of deal, so that you can test your		
	53:21 app and develop it for multiple sizes		
	53:22 of devices, even ones that maybe you		
	53:23 don't have a physical device to match.		
	53:24 Q. So am I understanding		
	53:25 correctly that the emulator allows OCV		
	54:01		
	54:02 to test how its developed apps behaves		
	54:03 on a variety of Android devices?		
	54:04 A. Yes, without us having to own		
	54:05 every device available.		
54:06 - 54:07	<b>Beaty, Robert 2022-09-22</b>	00:00:04	Beaty.18
	54:06 Q. Are the features of Android		
	54:07 Studio useful to OCV?		
54:09 - 54:20	<b>Beaty, Robert 2022-09-22</b>	00:00:42	Beaty.19
	54:09 A. Yes.		
	54:10 Q. And how so?		
	54:11 A. It allows our developers to		
	54:12 do their job in the most efficient way		
	54:13 possible.		
	54:14 I would say in regards to		
	54:15 debugging any issues, the built-in		
	54:16 tooling allows for a lot of efficiency		
	54:17 with auto-complete that gives them the		
	54:18 most opportunity to produce good code		
	54:19 that may or may not be available		
	54:20 otherwise.		
55:06 - 55:16	<b>Beaty, Robert 2022-09-22</b>	00:00:34	Beaty.20
	55:06 Q. Are you familiar with Android		
	55:07 SDKs?		
	55:08 A. Loosely.		
	55:09 Q. Can you describe what they		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	55:10 are?		
	55:11 A. It's the APIs that are		
	55:12 available to interact with Android		
	55:13 platform as you are coding the app. It		
	55:14 enables the functionality to take your		
	55:15 location from the device, something of		
	55:16 that nature.		
56:18 - 56:21	<b>Beaty, Robert 2022-09-22</b>	00:00:08	Beaty.21
	56:18 Q. And so does OCV utilize the		
	56:19 Android SDKs in connection with its		
	56:20 development of apps for Android?		
	56:21 A. Yes.		
56:22 - 56:23	<b>Beaty, Robert 2022-09-22</b>	00:00:03	Beaty.22
	56:22 Q. Are the Android SDKs useful		
	56:23 for OCV?		
56:25 - 57:09	<b>Beaty, Robert 2022-09-22</b>	00:00:22	Beaty.23
	56:25 A. Yes.		
	57:01		
	57:02 Q. How so?		
	57:03 A. They really provide the means		
	57:04 by which we can build our apps.		
	57:05 Without those, specifically, we would		
	57:06 not be able to interact with our own		
	57:07 hardware, Google services to be able to		
	57:08 make those apps work in the way we need		
	57:09 to.		
57:10 - 57:17	<b>Beaty, Robert 2022-09-22</b>	00:00:17	Beaty.24
	57:10 Q. Does Google charge anything		
	57:11 for access to the Android SDKs?		
	57:12 A. No.		
	57:13 Q. And I should have asked this		
	57:14 for Android Studio as well, does Google		
	57:15 charge anything for the use of Android		
	57:16 Studio?		
	57:17 A. No.		
61:22 - 62:07	<b>Beaty, Robert 2022-09-22</b>	00:00:23	Beaty.25
	61:22 Are you familiar with		
	61:23 Google's Analytics Services?		
	61:24 A. Yes.		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	61:25 Q. And what analytics services		
	62:01		
	62:02 does Google provide?		
	62:03 A. The primary one that we		
	62:04 utilize is the download numbers. They		
	62:05 also provide some utilization		
	62:06 statistics that we have occasionally		
	62:07 referenced.		
62:08 - 62:09	<b>Beaty, Robert 2022-09-22</b>	00:00:05	Beaty.26
	62:08 Q. Does OCV consider Google's		
	62:09 Analytics Features useful to OCV?		
62:12 - 62:23	<b>Beaty, Robert 2022-09-22</b>	00:00:26	Beaty.27
	62:12 Yes.		
	62:13 Q. How so?		
	62:14 A. It's a metric that our		
	62:15 clients consider valuable to understand		
	62:16 how many people are downloading and		
	62:17 utilizing their apps. So it's		
	62:18 something that -- internally, we		
	62:19 consider that a good metric, to see		
	62:20 those increase, but also our clients		
	62:21 want to see that number increasing over		
	62:22 time. So that's something we provide		
	62:23 to our client.		
62:24 - 63:02	<b>Beaty, Robert 2022-09-22</b>	00:00:07	Beaty.28
	62:24 Q. Does Google charge anything		
	62:25 for the use of its Analytics Services?		
	63:01		
	63:02 A. No.		
65:07 - 65:11	<b>Beaty, Robert 2022-09-22</b>	00:00:14	Beaty.29
	65:07 If Google were to begin		
	65:08 charging fees to developers for		
	65:09 utilizing the services Google Play		
	65:10 offers to developers, would that impact		
	65:11 OCV's business?		
65:13 - 65:18	<b>Beaty, Robert 2022-09-22</b>	00:00:17	Beaty.30
	65:13 A. Yes.		
	65:14 Q. In what ways?		
	65:15 A. Again, it would be a fee that		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	65:16 we would either have to absorb on our		
	65:17 side from our profit or pass on to our		
	65:18 client; thereby, increasing or price.		
68:05 - 68:25	<b>Beaty, Robert 2022-09-22</b>	00:01:01	Beaty.31
	68:05 Q. Do you see reference here to		
	68:06 an app entitled HCPH Overdose Rescue?		
	68:07 A. Yes.		
	68:08 Q. Are you familiar with that		
	68:09 app?		
	68:10 A. I have some familiarity.		
	68:11 Q. What does that app do?		
	68:12 A. The one particular feature		
	68:13 that I'm aware of in it, I believe that		
	68:14 is the app that has our Narcan feature.		
	68:15 And it provides specifically, I		
	68:16 believe, some timing information		
	68:17 related to how to dose that to someone		
	68:18 who is in need, and kind of goes		
	68:19 through that process with the user.		
	68:20 Q. So in other words, you		
	68:21 understand it to be an application that		
	68:22 provides information for individuals		
	68:23 that may require Narcan because they		
	68:24 are suffering from overdose?		
	68:25 A. Yes.		
82:12 - 82:23	<b>Beaty, Robert 2022-09-22</b>	00:00:31	Beaty.32
	82:12 Q. So let's talk about how OCV		
	82:13 distributes its mobile apps.		
	82:14 A. Okay.		
	82:15 Q. So OCV-developed apps are not		
	82:16 distributed to Android users outside of		
	82:17 Google Play, right?		
	82:18 A. Correct.		
	82:19 Q. In other words, OCV-developed		
	82:20 Android apps are distributed to Android		
	82:21 users exclusively through Google Play,		
	82:22 right?		
	82:23 A. For end users, yes.		
83:07 - 83:14	<b>Beaty, Robert 2022-09-22</b>	00:00:22	Beaty.33
	83:07 Q. So to reach Apple iPhone		



**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	83:08 users, for example, each time OCV		
	83:09 develops for an OCV client an app that		
	83:10 is distributed on Google Play, OCV also		
	83:11 develops for that same client a		
	83:12 separate app that is distributed		
	83:13 through the Apple iOS App Store, right?		
	83:14 A. Correct.		
84:15 - 84:21	<b>Beaty, Robert 2022-09-22</b>	00:00:18	Beaty.34
	84:15 Q. And so one thing OCV could		
	84:16 have decided to do was to just make		
	84:17 apps for Android users and not make an		
	84:18 iOS app, right?		
	84:19 A. Wasn't really a consideration		
	84:20 for us because we wanted the widest		
	84:21 reach possible.		
86:15 - 86:25	<b>Beaty, Robert 2022-09-22</b>	00:00:27	Beaty.35
	86:15 Q. Have you ever heard the		
	86:16 concept of a Google tax, in relation to		
	86:17 the fact that Google takes a portion of		
	86:18 the revenues developers makes on in-app		
	86:19 transactions for digital goods?		
	86:20 A. I'm familiar with the		
	86:21 percentage that is paid.		
	86:22 Q. And OCV doesn't pay a Google		
	86:23 tax because its apps do not use in-app		
	86:24 transactions, right?		
	86:25 A. Correct.		
88:13 - 88:18	<b>Beaty, Robert 2022-09-22</b>	00:00:14	Beaty.36
	88:13 Q. It's fair to say that those		
	88:14 developers -- that, unlike OCV, rely on		
	88:15 making money from Play Store		
	88:16 transactions -- care more about the		
	88:17 economics of the Play Store than OCV,		
	88:18 correct?		
88:21 - 88:21	<b>Beaty, Robert 2022-09-22</b>	00:00:03	Beaty.37
	88:21 A. I'm certain they do.		
89:10 - 89:14	<b>Beaty, Robert 2022-09-22</b>	00:00:12	Beaty.38
	89:10 Q. And I think you testified		
	89:11 that there is certain services that		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	89:12 Google provides that OCV doesn't pay		
	89:13 anything for; is that accurate?		
	89:14 A. Yes.		
89:18 - 89:22	<b>Beaty, Robert 2022-09-22</b>	00:00:13	Beaty.39
	89:18 I think you also testified		
	89:19 that OCV does pay Google for a number		
	89:20 of things in the course of developing		
	89:21 and distributing apps, right?		
	89:22 A. Several paid APIs, yes.		
90:05 - 90:19	<b>Beaty, Robert 2022-09-22</b>	00:00:35	Beaty.40
	90:05 Q. And one of the things that		
	90:06 OCV's clients pay to Google in		
	90:07 connection with OCV developing and		
	90:08 distributing apps on Google Play is the		
	90:09 developer fee, right?		
	90:10 A. Correct.		
	90:11 Q. And another item that OCV		
	90:12 pays to Google is in connection with		
	90:13 cloud services, right?		
	90:14 A. Yes.		
	90:15 Q. And another thing that OCV		
	90:16 pays to Google are certain fees related		
	90:17 to Google Maps, right?		
	90:18 A. Yes. Again, same cloud		
	90:19 services.		
91:05 - 91:11	<b>Beaty, Robert 2022-09-22</b>	00:00:15	Beaty.41
	91:05 Q. Just to complete the list,		
	91:06 YouTube would be another example of a		
	91:07 service where OCV pays Google in		
	91:08 connection with developing and		
	91:09 distributing its apps?		
	91:10 A. Yes. That's part of the		
	91:11 Google Cloud Compute API asset.		
162:21 - 163:14	<b>Beaty, Robert 2022-09-22</b>	00:00:43	Beaty.42
	162:21 Q. Were you contacted by Google		
	162:22 prior to receiving the deposition		
	162:23 subpoena?		
	162:24 A. Yes.		
	162:25 Q. And what was the substance of		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	163:01		
	163:02 that communication?		
	163:03 A. We had previously been in		
	163:04 contact with Google on working on		
	163:05 expediting our government app reviews,		
	163:06 and that individual asked if this would		
	163:07 be something based on our business		
	163:08 model we would be willing to testify		
	163:09 on.		
	163:10 Q. And when you say "this would		
	163:11 be something that you would be willing		
	163:12 to testify on," what are you referring		
	163:13 to?		
	163:14 A. This particular case.		
163:22 - 163:24	<b>Beaty, Robert 2022-09-22</b>	00:00:07	Beaty.43
	163:22 Q. Did Google ask you what you		
	163:23 plan to say as part of your testimony?		
	163:24 A. No.		
163:25 - 164:04	<b>Beaty, Robert 2022-09-22</b>	00:00:07	Beaty.44
	163:25 Q. Were you contacted by Google		
	164:01		
	164:02 or its representatives after receiving		
	164:03 the subpoena?		
	164:04 A. No.		
164:07 - 164:10	<b>Beaty, Robert 2022-09-22</b>	00:00:07	Beaty.45
	164:07 Did Google provide any		
	164:08 information about this litigation as		
	164:09 part of its request for your testimony?		
	164:10 A. No.		
164:20 - 164:22	<b>Beaty, Robert 2022-09-22</b>	00:00:05	Beaty.46
	164:20 Q. Do you personally own Google		
	164:21 stock?		
	164:22 A. I do not.		
205:13 - 206:08	<b>Beaty, Robert 2022-09-22</b>	00:00:47	Beaty.47
	205:13 You mentioned the initial		
	205:14 conversation you had with someone named		
	205:15 Ben at Google related to your testimony		
	205:16 here today; is that right?		
	205:17 A. Yes.		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	205:18 Q. And who is Ben?		
	205:19 A. Assuming I am remembering his		
	205:20 name correctly, he reached out		
	205:21 specifically in relation to government		
	205:22 apps; our apps for government entities.		
	205:23 I believe he had -- I don't		
	205:24 remember if he said it was him		
	205:25 specifically or someone else at Google		
	206:01		
	206:02 kind of had seen the clients we work		
	206:03 with, and reached out to help us in		
	206:04 regards to a particular situation we		
	206:05 had with an SDK needing to be removed		
	206:06 from all of our apps and had quite a		
	206:07 lot -- a large number of updates pushed		
	206:08 through.		
206:11 - 207:17	<b>Beaty, Robert 2022-09-22</b>	00:01:12	Beaty.48
	206:11 Q. So Mr. Ben reached out to you		
	206:12 in the context of OCV needing technical		
	206:13 support from Google related to app		
	206:14 removals; is that correct?		
	206:15 A. So the -- it was a situation		
	206:16 where the apps would be removed, if		
	206:17 they couldn't get an update with that		
	206:18 SDK removed.		
	206:19 And given how many we had, I		
	206:20 believe we had been reaching out,		
	206:21 asking if we could get any extensions		
	206:22 on that time line that they had set,		
	206:23 something of that nature, because we		
	206:24 had so many to get through.		
	206:25 Q. And did you receive that		
	207:01		
	207:02 extension?		
	207:03 A. Yes. I believe we provided a		
	207:04 list of apps. And by the large		
	207:05 numbers, ours were extended so that we		
	207:06 wouldn't -- or expedited and reviewed		
	207:07 so that they could get through faster		
	207:08 and not be removed.		

**Beaty**

DESIGNATION	SOURCE	DURATION	ID
	207:09 Q. I see. And so you mentioned		
	207:10 the outreach was in the context of OCV		
	207:11 asking for expedited review; is that		
	207:12 right?		
	207:13 A. Yes.		
	207:14 Q. And OCV did, in fact, get		
	207:15 expedited review for those apps,		
	207:16 correct?		
	207:17 A. Yes, I believe so.		
210:19 - 210:22	<b>Beaty, Robert 2022-09-22</b>	00:00:12	Beaty.49
	210:19 Q. Did they -- did Google ask		
	210:20 you about any potential answers you		
	210:21 would provide in a deposition?		
	210:22 A. No, they did not.		
219:08 - 219:11	<b>Beaty, Robert 2022-09-22</b>	00:00:08	Beaty.50
	219:08 Q. Mr. Beaty, did Google offer		
	219:09 OCV any special benefit or service in		
	219:10 exchange for providing testimony in		
	219:11 this matter?		
219:13 - 219:13	<b>Beaty, Robert 2022-09-22</b>	00:00:02	Beaty.51
	219:13 A. No.		

Designation	00:18:30
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<b>TOTAL RUN TIME</b>	<b>00:18:30</b>
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